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CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
2^{NO} FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0860 FAX (415) 274-0299
WWW.SFTREASUREISLAND.ORG



TREASURE ISLAND DEVELOPMENT AUTHORITY MEETING AGENDA

March 11, 2015 - 1:30PM

Room 400, City Hall 1 Dr. Carlton B. Goodlett Place

DIRECTORS

2.

V. Fei Tsen, President Larry Mazzola, Jr., VP Linda Fadeke Richardson Hon. Jane Kim (Ex-Officio) Jean-Paul Samaha, Secretary Mark Dunlop, CFO Dr. Tomás Aragón Jeff Kositsky

Robert Beck, Treasure Island Director Kate Austin, Commission Secretary

ORDER OF BUSINESS

1. Call to Order and Roll Call

General Public Comment
This item is to allow members of the public to address the Treasure Island Development
Authority Board ("Authority Board") on matters that are within the subject matter
jurisdiction of the Authority Board and that do not appear on the agenda. In addition to
General Public Comment, Public Comment will be held after each item on the agenda.
(Discussion Item)

Estimated Length of Item: 15 minutes

3. Report by Treasure Island Director
This item is to allow the Treasure Island Director to report on Island Operations and
Development activities including leasing, health and public safety, utilities, budget,
Quality of Life issues, social services and on-Island events, the status of environmental
remediation and coordination with the Department of the Navy, interactions with other
City and State agencies, progress with Treasure Island Community Development in
implementation of the Disposition and Development of the former Naval Station

Treasure Island. (Discussion Item)
Estimated Length of Item: 30 minutes

- Communications From and Received by TIDA (Discussion Item)
 Estimated Length of Item: 5 minutes
- Ongoing Business by Board of Directors (Discussion Item)
 Estimated Length of Item: 5 minutes
- 6. CONSENT AGENDA (Action Items) Estimated Length of Item: 5 minutes All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.
 - a. Approving the Minutes of the February 10, 2014 Special Meeting
- 7. Overview of the Financing Plan (Information Item)
 Estimated Length of Item: 20 min
- 8. Presentation of the Major Phase Application (Information Item)
 Estimated Length of Item: 20 minutes
- Discussion of Future Agenda Items by Directors (Discussion Item)
 Estimated Length of Item: 5 minutes
- 10. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, One Avenue of the Palms, Second Floor, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

If any materials related to an item on this agenda have been distributed to the TIDA Board of Directors after distribution of the agenda packet, those materials are available for public inspection at Treasure Island Development Authority, Building One, 2nd Floor, One Ave. of Palms, San Francisco, CA 94130 during normal office hours.

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TREASURE ISLAND DEVELOPMENT AUTHORITY FINANCIAL STATEMENT SUMMARY OF WORK ORDERS

Fiscal Year 2014-2015 - Data as of 3/2/2015

	Sum of	Sum of Actuals:	Sum of	Sum o Uncommitted
Subobject	Revised Budget	Year to Month	Encumbrances	Balance
081BI SR-BUILDING INSPECTION	(4,034)			(4,034
081C0 GF-CON-MANAGEMENT SERVICES	(14,919)			(14,919
081C4 GF-CON-INTERNAL AUDITS	(20,000)			(20,000
081C5 IS-TIS-ISD SERVICES	(1,054)	(84)	(403)	(567
081CA GF-ADM-GENERAL(AAO)	(2,889,857)	(560,607)	(1,639,112)	(690,138
081CB GF-RISK MANAGEMENT SERVICES (AAO)	(252,098)	(56,656)	(65,998)	(129,444
081CI IS-TIS-ISD SERVICES-INFRASTRUCTURE COST	(25,877)	(14,595)	(10,424)	(858)
081CP GF-CITY PLANNING	(1)			(1
081CT GF-CITY ATTORNEY-LEGAL SERVICES	(1,759,781)	(155,310)	(841,248)	(763,223
081CY GF-CHILDREN; YOUTH; AND FAMILY SERVICES	(213,747)		(213,747)	
081ED GF-BUS & ECN DEV	(39,616)			(39,616
081ER GF-EMERGENCY COMMUNICATIONS	(9,922)			(9,922
081ET GF-TIS-TELEPHONE(AAO)	(18,602)	(4,187)	(9,705)	(4,710
081EV GF-ENVIRONMENT	(1)			(1
081FD GF-FIRE	(156,500)	(27,300)	(126,200)	(3,000
081H2 GF-HR-MGMT TRAINING	(23,070)	1 1 2	(4,740)	(18,330
081HN GF-HCN-COMM HEALTH NETWORK (AAO)	(75,000)	(12,096)	(62,904)	` ` .
081MR EF-MUNICIPAL RAILWAY	(46,420)	` ' -		(46,420
081PA IS-PURCH-CENTRAL SHOPS-AUTO MAINT	(11,892)	(5,571)	(2,173)	(4,148
081PF IS-PURCH-CENTRAL SHOPS-FUEL STOCK	(4,769)	(1,148)	(998)	(2,623
081PK GF-PARKING & TRAFFIC	(74,135)	(4,589)	(20,411)	(49,135
081PR IS-PURCH-REPRODUCTION	(15,088)	(2,595)	(3,405)	(9,088
081PS GF-POLICE SECURITY	(91,752)	(42,691)	(45,854)	(3,207
081SS GE-SOCIAL SERVICES	(43,144)	(41,307)	(1,837)	(0)
081UH GE-PUC-HETCH HETCHY	(1,533,660)	(557,742)	(898,562)	(77,355
081UL GF-PUC-LIGHT HEAT & POWER	(311)	(007). 10)	(000)000)	(311
081W6 ADM-REAL ESTATE SPECIAL SERVICES	(82,581)	(17,220)	(33,820)	(31,541
081WA SR-DPW-ARCHITECTURE	(10,000)	(27,000)	(00,020)	(10,000
081WB SR-DPW-BUILDING REPAIR	(1,673,219)	(61,855)	(1,568,569)	(42,795
081WC SR-DPW-STREET CLEANING	(166,811)	(01,033)	(161,766)	(5,045
081WD SR-DPW-STREET USE & MAPPING	(200,000)		(200,000)	(3,043
081WE SR-DPW-FNGINFFRING	(4,890)		(200,000)	(4,890
081 WM SR-DPW-CONSTRUCTION MGMT	(22,953)			(22,953
181WP SR-CWP-CI FAN WATER DEPARTMENT	(9,080)		(9,080)	(22,555
181WR SR-DPW-STREET REPAIR	(455,937)	(4,843)	(352,444)	(98,649
081WU SR-DPW-STREET REPAIR	(333,809)	(4,843)	(322,444)	(12,612
IOTALO SULPLANDAM LOUGEST KT	(10,284,530)	(1,570,397)	(6,594,597)	(2,119,536)

Source: Executive Information System (EIS) Budget vs. Actuals 35.001



TREASURE ISLAND DEVELOPMENT AUTHORITY FINANCIAL STATEMENT SUMMARY OF REVENUES & EXPENDITURES

Fiscal Year 2014-2015 - Data as of 3/2/2015

REVENUES				
Revenue Source	Budgeted Revenue (R)	Actuals (A)	Variance (A-R)	% YTD (A/R)
TI JOINT VENTURE - WINE VALLEY	120,000		(120,000)	0%
TIDA SPECIAL EVENTS	430,000	398,670	(31,330)	93%
COMMERCIAL PAYMENTS	3,840,770	2,752,107	(1,088,663)	72%
FILM	35,000	32,500	(2,500)	93%
YBI CELLSITES/BANNER	325,830	125,289	(200,541)	38%
MARINA	90,000	61,925	(28,075)	69%
HOUSING CAM	479,472	549,307	69,835	115%
JOHN STEWART CO.	3,689,470	647,203	(3,042,267)	18%
Total Revenues	9,010,542	4,567,002	(4,443,540)	51%

EXPENDITURES				
Expenditure Type	Revised Budget	YTD Actuals	Encumbrances	Balance
021 NON PERSONNEL SERVICES	(8,798,906)	(1,332,793)	(1,170,074)	(6,296,039)
040 MATERIALS & SUPPLIES	(50,264)	(18,125)	(22,540)	(9,599)
081 SERVICES OF OTHER DEPTS	(10,284,530)	(1,570,397)	(6,594,597)	(2,119,536)
Total Expenditures	(19,133,701)	(2,921,315)	(7,787,210)	(8,425,175)

Sources: GSA Accounting, Executive Information System





January 30, 2015

Robert P. Beck Treasure Island Development Authority 410 Avenue of the Palms FI 2 San Francisco, CA 94130-1806



RE: Updates from the John Stewart Company (JSCo) - Cost-Effectiveness, Compliance & Efficiency!

Dear Robert:

Best wishes, a somewhat belated Happy New Year and thank you for your on-going business! As one in a series from JSCo, this letter highlights various initiatives relating to cost-effectiveness, regulatory compliance and organizational efficiency at the Company.

As related in prior letters, a major focus over the past several years has been improving employee safety at our managed sites. In early 2013, after determining that the highest number of employee accidents and injuries were occurring during the summer months each year, we launched our new "Summer of Safety" campaign, including targeted safety awareness efforts and group trainings across the state. 2014 was therefore our second annual "Summer of Safety," and I'm pleased to report that it was even more successful than the year before! During June, July and August of 2014, we reduced the number of accidents and injuries at our sites by over 40% compared to our long-term average. For 2014 as a whole, JSCo reduced employee accidents and injuries by over 20% compared to 2013 and over 50% compared to our 10-year average (even though we were almost doubling in size during the same period)! As a result, JSCo's Experience Modification Rate has declined to a new low of 0.77 (down from 0.83), which in turn has reduced our Workers' Comp premiums by over 12% compared to 2014.

Simultaneously, we have been laying the foundation for very significant improvements in some of our administrative systems and procedures. In order to continue delivering our high levels of service at the lowest possible cost, we will be implementing several new software packages over the next 2-3 years, including:

- "Client Portal" software for our Common Interest Development division (following the implementation of Homewise HOA document management software last year);
- On-line timekeeping for all JSCo employees:
- On-line Accounts Payable software that will digitize and streamline our entire invoice approval, tracking and payment process; and
- Project management software for our Construction & Maintenance Services and Development divisions.

These are not small undertakings, but we've spent a great deal of time and energy putting the necessary building blocks in place, and we believe they will position JSCo to achieve new levels of efficiency and cost-effectiveness in the years to come.



We have also been devoting a great deal of time and energy to improving the physical condition of our managed properties. One indication of our success in this regard is our excellent REAC scores across the state – our average REAC score during 2014 was <u>91</u>, the third year in a row our average score exceeded 90 (an increase of 15% over the past seven years):



And finally, in other brief news:

- ISCo's new Employee Training division, which was created in early 2014 to enhance employee skill
 levels and support the various corporate initiatives described above (including employee safety and
 new software implementation), has doubled in size going into 2015;
- In order to ensure compliance with applicable regulations and fair housing laws, JSCo will be
 implementing updated house rules throughout the state in mid-2015; property-specific rules will be
 retained at each property during this process, and the revised rules will be clearer and simpler to
 administer and enforce:
- JSCo's Master Property Insurance Program now includes liability protection for issues related to mold, mildew and vermin (e.g. bed bugs), all at a minimal cost due to our ability to spread premiums over a large number of units; and
- We are very proud of our founder and Chairman, John Stewart, who is still very active with the
 Company and was recently named a 15th Anniversary Housing Hero by the San Francisco Housing
 Action Coalition, which recognized his life-long work as an "affordable housing champion, both
 locally and nationally." Way to go, John!

As the management of affordable housing becomes ever more challenging and complex in California, JSCo continues improving our policies, practices and procedures so we can manage your properties as efficiently and effectively as possible. Due in large part to your confidence and support, JSCo was ranked the fifth largest manager of affordable multifamily housing in the United States by the National Affordable Housing Management Association (NAHMA) last year, and we greatly appreciate you entrusting your properties to our care!

Thanks again and best wishes.

Jule D. Hardham

Jack D. Gardner
President & CFO

cc: Loren Sanborn, JSCo Regional Vice President Steve McElroy, JSCo Regional Vice President





MEMORANDUM



Connie Le, JSCo

To:

Bob Beck, Treasure Island Director, Treasure Island Development Authority

CC

John Stewart, JSCo Jack Gardner, JSCo

Dan Stone, JSCo

Sonya Rosenbach, JSCo Loren Sanborn, JSCo Lynny Lee, JSCo

From:

Jeffrey Kohler

Date: 2/24/2015

Subject:

Percentage Rent for Treasure Island Housing Project Sublease for Jan 2015

Enclosed is our payment of Percentage Rent in the amount of \$174,377 for the Jan 2015 period, calculated per the sublease agreement. In addition, the amount disbursed has been reduced by \$9,378, recouping 1/36th of prior year audit adjustments outlined in the 2010 Audit per the previous sublease agreement (with an additional \$13.00 deduction in final repayment month). As of today we has recouped 31/36th of prior year audit adjustment and the balance will need to recoup is \$46,903.00.

Calculation of Funds Available for Distribution

TIDA receives 95% revenues remaining after adjusting gross revenues by operating expenses, current accretion due and the repayment of ledger balances based on sublease specifications. Funds expended for replacement reserve eligible items are expensed in the period expenses are recognized. To the degree that these costs are reimbursed from the replacement reserve account, percentage rent will be adjusted in the period that the reserve draw is approved.

For the month of Jan 2015, actual Total Revenues were about 3.19% above budgeted Total Revenues, Total expenses for Jan 2015 were approximately 19.21% above budgeted for the month. The result was that Funds Available for Jan 2015 Distribution were \$193.426 or about 31.93% below budgeted amounts. This is the result of several major ongoing projects including moisture remediation and special island improvement projects as directed by TIDA. These over budgeted expenditures make up 94% of the variance in the amount eligible for % rent distribution.

Calculation of Percentage Rent

Based on operations, a total of \$193,426 in adjusted Gross Revenues after costs of operations are available for distribution for the Jan 2015 period. These revenues are distributed as follows:

Jan 2015 Distributions	Jan 2015 Actual	Jan 2015 Budgeted
Available for Distribution	\$193,426	\$284,166
Percentage rent for TIDA	\$183,755	\$269,947
Repay Prior overpayment 31 (1/36 TH total per period)	-\$9,378	
Net Disbursed as percentage rent to TIDA	\$174.377	\$269.947
Percentage rent for JSCO	\$9,671	\$14,207

This percentage rent breakdown reflects the current year split by TIDA/JSCo. Beginning with new sublease executed at September 2014, TIDA receives 95% of revenues after expenses, while the John Stewart Company percentage is 5% of the amount.



Draw 4								
		January-15	/-15		YEA	YEAR TO DATE (T.I.D.A version)	I.D.A version)	
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Total Revenue	935,952	907,048	28,904	3.19%	6,529,896	6,349,360	180,536	2.84%
Marketing Expenses	3,134	999'9	(3,532)		21,952	46.670	(24.718)	-52.96%
Administrative Expenses	77,486	86,431	(8,945)		645,267	605,055	40,212	6.65%
Utilities	174,416	153,000	21,416	-	1,032,443	1,071,000	(38,557)	-3.60%
Operating and Maintenance	220,731	204,627	16,104	7.87%	1,856,150	1,432,465	423,685	29.58%
Taxes and insurance	47,441	39,598	7,843	19.81%	308,126	277,210	30,916	11.15%
Asset Mangement Fee				%00.0	9,342		9,342	0.00%
Base Rent	52,734	52,251	483	0.92%	369,136	365,758	3.378	0.92%
Reserves		11,560	(11,560)	-100.00%		80,920	(80,920)	~100.00%
Replacement (excl. anticipated draw)	166,584	68,749	97,835	142.31%	1,037,639	481,255	556,384	115.61%
Total Expenses	742,526	622,882	119,644	19.21%	5,280,053	4,360,333	919,720	21.09%
Available for Distribution	193,426	284,166	(90,740)	-31.93%	1,249,843	1,989,027	(739,184)	-37.16%
Available for Distribution	193,426	284,166	(90,740)	-31.93%	1,249,843	1,989,027	(739.184)	-37.16%
TIDA	183,755	269,947	(86,203)	-31.93%	1,187,351	1,889,629	(702.225)	-37.16%
JSCo	9,671	14,207	(4,537)	-31.93%	62,492	99,458	(36,929)	-37.16%
TIDA % Rent Payback Net Disbursed as percentage rent to TIDA	(9,378.00)	2010 Audit Disbursement Reduction	rsement Reduc	tion				

1/31/2015

Comparison to Budget

W. Don't Allocation	Draw 1	Draw 2	Draw 3	Draw 4	Average
Units ready for occupancy at Beginning of month	519	519	519	517	
Aggregate Units Leased and Occupied during month.	425		馴	420	423
	2014	2014	2014	2015	
	Oct	Nov	Dec	Jan	
REVENUE FROM OPERATIONS	1,170,9913	1,169.630	1.173.930	1171107	1-177-415
Total Vacanciae	(241.561)	(240.797)	(250 150)	(240,653)	
Financial Income	168	154	152	158	
Credit Check Revenue					
Other Revenue	3,472	2,345	2,234	5,341	
Total Net Revenue	933,070	931,332	926,166	935,952	
EXPENSES FROM OPERATIONS		-			
	•	1	,	,	
6250 Credit Reports	14	28	,	42	
6310 Office Salaries	18,101	17,853	26,706	18,950	
6311 Office Supplies	3,133	4,689	4,239	3,555	
6320 Management Fee	27,587	27,484	27,502	29,445	
·					
6330 Manager/Supervisor	3,022	11,598	9,805	8,132	
6331 Staff Units	2,950	2,950	2,950	2,950	
6340 Legal/Mediaiton Expenses	1,810	5,120	6,328	1,369	
6350 Audit Fee/Bookkeeping	-	,	•	2,072	
6360 Tel& Answering Service	1,474	1,386	1,525	1,726	
6370 Collection Loss	(516)	•	28,734	•	
6390 Misc. Admin. Expenses	101	792	81	•	
6385 Mileage/Travel	281	222	226	211	
	_	413	•	•	
-	933	3,580	5,660	5,627	
5398 Remediation Expense	1,400	6,393	•	6,542	
Subtotal: Administrative Expenses	60,289	82,508	113,757	80,620	
UTILITIES	_				
6450 Subtotal: Utilities	142,613	142,277	142,277	174,416	
6589 Navy CAM Charge	28,242	28,242	28,242	28,242	
SEGO OPERATING AND MAINTENANCE	_				
	340	812	1 25.2		
	1 080	1 230	2555,1	1 300	
08(2.955	10.680	5.975	2.490	
6521 Operation/Maintenance Rent Free Unit	1,905	1,905	1.905	1.924	
	30,881	31,442	26,323	42.783	
	42,815	27,351	27,399	29,390	_
	-	4,932	•	'	
_	1,291	•			
				•	
-	39,097	39,097	41,325	39,097	
_	18,658	18,481	22,425	18,304	
_	29,887	57,240	43,438	58,343	
_	4,290	(4,324)		(22,999)	
_	22,075	11,998	36,160	(2,113)	
	5,008	7,820	3,767	(21,901)	
	4,923	2,720	11,390	2,233	
6553 Appliance Repairs	412			-	

Units ready for occupancy at Beginning of month Aggregate/Units Lessand and Occupied during mes 6570 Vehicle Lease 6570 Uniform/Laudry/Service 6571 Uniform/Laudry/Service 6574 Repairs comfrest Other 6556 Fife Damage Costs 7220 Inheior Replacement (eligible for RR 7220 Anniance Replacement (eligible for RR		100	519 424 2014	519	1	Trestanting in
Aggregate Units Lease d and G 6570 Vehicle Lease 6570 Wisc. Oper and Mis. 6573 Uniform/Laurdry S 6574 Repairs contract (6574 Repairs contract (6596 Fire Damage Cost) 77230 Initior Replacem			2014	2044	420	17722
		2014	107		2000	27670
		poct	Nov	Dec	lan	
		1,925	16,248	952	1.976	
	aintenance	3,855	5,000	2,000	7,014	
	oel vice	, 10, 01	238	447	75	
	9 8	201,100	Jec'ez	207,26	33,277	
	nterior Replacement (eligible for RR Draw)	85,402	09,760	156,975	51.689	
•	Appliance Replacement (eligible for RR Draw)	18,673		3,360	7,408	
- '						
7240 Exterior Replacem Subtotal: Operatin	Exterior Replacement (eligible for RR Draw) Subtotal: Operating and Maintenance	391,754	23,763	52,138	107,487 359,073	
6700 TAXES/INSURANCE	CE					
6710 Taxes Real Estate	ite					
6711 Payroll Taxes		3,725	4,344	6,634	6,691	
6790 Misc Licenses/Permits	mits	•				
_	Property Insurance (inc.Insurance Claims and YTD adj)	21,275	22,006	22,503	22,171	
6802 Insurance Claims Expense	Expense	•		•		
_	y deposit	•	•	'	١	
6721 Fidelity Bond		201	201	201	201	
	sation	3,350	3,939	4,354	3,804	
Ξ.	Emp Health and Life Insurance (excludes 401(k))	5,749	6,749	5,749	5,664	
010	Sontriution estimate	610	610	610	'	
6710 Possessory Interest Tax	st Tax	8,910	8,910	8,910	8,910	
`	Asses Management Fee (5% GL 6574 reimb per TIDA)	•	,	,	,	
7140 Base Rent Payment	ent	52,734	52,734	52,734	52,734	52,734
Subtotal: Taxes/Insurance	nsurance	96,553	98,492	101,694	100,175	
6900 Community Center				7.500	,	
6991 Recreation Salaries	St	•	359		,	
6992 Recreation Supplies	es	795	,		•	
Subtotal: Services	10	795	359	7,500	•	
TOTAL OPERATING EXPENSES	SII	720,246	701,911	896,553	742,526	
Less Reserves		•		,	•	
TOTAL EXPENSES		720,246	701,911	896,553	742,526	
Total Expenses Net of Environmental	nental	720,246	701,911	896,553	742,526	
		•	1	-	•	

% Rent Allocation	Draw 1	Draw 2	Draw 3	Draw 4	Average
Units ready for occupancy at Beginning of month	519	519	519	517	
Aggregate Units Leased and Occupied during month	425	424	424	420	1423
	2014	2014	2014	2015	
	Oct	Nov	Dec	Jan	
DISBURSEMENT OF REVENUES	Actual	Actual	Actual	Actual	
Total Gross Rent Potential	1,170,991	1,169,630	1,173,930	1,171,107	1,171,415
Total Net Revenue	933,070	931,332	926,166	935,952	931,630
Less Base Rent	(52,734)	(52,734)	(52,734)	(52.734)	(52,734)
Less Operating Expenses	(611,683)	(593,451)	(788,076)	(632,105)	
Less CAM Charge	(28,242)	(28,242)	(28,242)	(28,242)	
Less Replacement Reserve Funding	•	٠	,		
Wanagement Fee	(27,587)	(27,484)	(27,502)	(29,445)	(28,004)
Less Marketing Fee	• 1	•	•	,	
Addback int security deposits					
Total Operating Expenses	(720,246)	(701,911)	(896,553)	(742,526)	
Revenues Net of Operating Expenses	212,824	229,421	29,613	193,426	
Revenues Remaining for Distribution in Percentage Rent	212,824	229,421	29,613	193,426	
TIDA Share of Revenues (Percentage Rent)	(202,182)	(217,950)	(28,132)	(183,755)	(158,005)
JSCo Share of Revenues (Percentage Rent)	(10,642)	(11,471)	(1,481)	(9,671)	(8,316)
Total Percentage Rent Disbursed	(212,824)	(229,421)	(29,613)	(193,426)	
Ending Balance Gross Revenues	0	0	0	0	



FEB 2 0 2015 RB, KA FILC

MEMORANDUM

To: Mirian Saez, Director of Operations

Treasure Island Development Authority City of San Francisco

410 Palm Avenue
Building 1, 2nd Floor
San Francisco, CA 94130

Date: April 4, 2014

RE: Base Rent Adjustment for the April 2014 to March 2015 period

Per the Sublease, Development, Marketing and Property Management Agreement between the Treasure Island Development Authority and the John Stewart Company, the Base Rent for the Sublease must be adjusted using a "CPI Adjustment" (Section 15.2). The agreement specifies that the adjustment will use the CPI for Urban and Wage Earners and Clerical Workers published most immediately preceding the Adjustment Date and compare this to the Index published most immediately preceding the prior Lease Year.

The CPI for the San Francisco-Oakland-San Jose area is attached (from the United State Department of Labor, Bureau of Labor Statistics).

Based on the underlying sublease agreement language, the underlying \$500,000 base rent is inflated by CPI increase between 2013 and 2014. Base rent for the 2013-14 periods has been 620,191.00. The Base Rent for 2014-15 is therefore adjusted as follows:

Year over year adjustment from 2013 to 2014 is 245.148/240.262 = 1.02034 (see attached)

The new Base Rent adjustment for the upcoming period is:

 $(620,191.00) \times (1.02034) = 632,806.00 \text{ (or } 52733.67 \text{ monthly)}$

The adjusted Base Rent payments as prescribed under the sublease will thus be adjusted to \$52,733.67 monthly for the April 2014 to March 2015 period.

Sincerely.

Jeffrey Kohler

Attachments

Cc: John Stewart, JSCo

Connie Le, JSCo Lynny Lee, JSCo Dan Stone, JSCo Loren Sanborn, JSCo Paula Schlunegger, JSCo Jack Gardner, JSCo



Consumer Price Index - Urban Wage Earners and Clerical Original Data Value

Series Id: CWURA422SA0 Not Seasonally Adjusted

Area: San Francisco-Oakland-San Jose, CA Item: All items 1982-84=100

2004 to 2014

Years:

06 07 09 09	194.1 197.3 202.5				,	a San	dac	č	Nov	Dec	Annual	Annual HALF1	HALF2
2005 2007 2007 2008	197.3		194.7	195.4		195.0		196.4		195.9	195.0	194.4	195.7
00 88	202.5		199.3	197.5		199.5		202.6		199.3	199.1	197.9	
09 09			204.9	205.2		206.7		206.2		205.6	204.9	203.7	
80 60	208.803	21	11.189	211.422	2,	11.620	2	13.133		214.204	211.370		
60	214,913	21	17.913	221.454	22	21.385	2	21.192		213.685	218.441		
	216.797	21	8.587	220.996	22	21.279	2	21.708		220.121	219.645		221.109
01.02	222.049	22	3.821	224.185	22	24.195	2	24.352		224.152	223.624		
2011	226.638	23	231.600	230,605	25	231.445	2	232.371		231.109	230.337		
2012	234.648	23	6.626	236.890	23	38.445	2	40.864		236.454	237.097		
2013	240.262	24	1.764	243.052	24	42.903	2	43.711		242.602	242.125		
2014	245.148												



CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY ONE AVENUE OF THE PAIMS BLOG. ONE, 2** FLOOR, TREASURE ISLAND SAN FRANCISCO, CA 94130 (415) 274-0660 FAX (415) 274-0299 www.SFTREASUREISLAND.ORG



MIRIAN SAEZ DIRECTOR OF ISLAND OPERATIONS

To: Treasure Island Development Authority Board of Directors

From: Bob Beck, Treasure Island Director

Date: March 6, 2015

Re: Use Permit and Film Permit Waivers

Fee Waivers:

SFPD Motorcycle Unit Training- February 9-13, 16-20, 23-27, March 2-6, 2015.

US Coast Guard, meeting - February 10, 2015

US Navy, meeting- February 10, 2015

Academy of Arts University, Student Film Projects- February 9, 13, 15, 25, March 1, 7, 8 2015

Treasure Island Homeless Development Initiative, Event-February 27, 2015



Treasure Island Development Authority Subleases and Permits Executed Pursuant To Leasing Policy As of March 6, 2015

Location / Facility	No.	Status (new / expired)	Company Name / Prospective Subtenant	Start Date	Leasehold Type	Sq. Ft.	Annual Rent
Building 33, A,B &C	928	New	Interchange Counseling Institute, LLC	2/1/15	Office/Classroo m	7,885	\$92,516.00
Great Lawn Parking Lot	P- 935	New	Justice Investors, LP	3/7/15	Event	N/A	\$9,000.00
180 Apron	P- 936	New	Sol Rouge, LLC	2/24/15	Event	N/A	\$500.00
Great Lawn	P- 937	New	Mamalyla, LLC	8/2/15	Event	N/A	\$2,750.00
Building 0 Lot	P- 938	New	Renegades Association, Inc.	3/7/15	Event	N/A	\$750.00
Great Lawn	P- 939	New	Kathrine Yu	8/8/15	Event	N/A	\$2,750.00
Building 180 Lot	P- 940	New	Cars-Net, Inc.	4/17/15	Event	N/A	\$3,750.00
Avenues H and 11 th St.	P- 941	New	NCJLA, Inc.	2/28/14	Event	N/A	\$1,500.00
Eucalyptu s Lot	P- 942	New	PG&E, Inc.	6/23/15	Event	N/A	\$1,500.00
Avenue of the Palms	P- 934	New	Dwyer Productions LLC.	2/1/15	Photo	N/A	\$500.00
Chapel, Building 1	E- 108	New	Jessica Kao	8/1/15	Event	N/A	\$5,700.00
Casa de la Vista	E- 109	New	Jaswinder Mehra	5/2/15	Event	N/A	\$5,000.00
Fogwatch	E- 110	New	Sara Verman	9/6/15	Event	N/A	\$500.00
Chapel	E- 111	New	Sol Rouge, LLC	10/10/15	Event	N/A	\$1,200.00
Chapel	E- 112	New	Sol Rouge, LLC	10/24/15	Event	N/A	\$1,200.00
Chapel	E- 113	New	Janice Roux	7/4/15	Event	N/A	\$1,200.00



February 2015 Treasure Island Crime Statistics Provided by Officer J. O'Keeffe #681 on behalf of Captain DeFilippo, Southern Station



Occ. Date	Case #	Location	Incident Type	Comments
5-Feb-15	150-110-347	600 Califonia Ave	False Vehicle Reg	Officers towed a vehicle for false registration tabs.
8-Feb-15	150-121-203	275 California Ave	Missing Juvenile	Job Corp reported a missing Juvenile.
10-Feb-15	150-125-227	401 13th St	Auto Boost	Officers ran after an auto boost suspect. The suspect , escaped through a court yard. The stolen backpack was located near the vehicle.
11-Feb-15	150-130-204	1129 Mason Ct	Stolen Vehicle	A Vehicle was reported stolen between 8am-830pm.
13-Feb-15	150-141-734	1419 Striped Bass St	Missing Juvenile	A parent reported that her son did not return home. An hour later the son came home.
13-Feb-15	150-136-343	1311 Gateview Ave	Trespassing	8 juveniles were located inside a vacant apartment. All juveniles were released to their guardians.
13-Feb-15	150-148-978	275 Gateview Ave	Missing Juvenile	Job Corp reported 2 missing Juvenile.
18-Feb-15	150-152-690	1 Clipper Cove Wat	Auto Boost	Vehicle was boost between 6pm-4a. The right rear window was shattered and personal items were taken out of the vehicle.
18-Feb-15	150-157-151	1430 Gateview Ct	Theft	V reported that a friend stole personal items from her apartment.
19-Feb-15	150-152-355	Bayside/Gateview	Robbery	Four subjects robbed a cab driver at midnight. A passerby was able to catch one of the subjects. The other three escaped. One was arrest and booked.
19-Feb-15	150-154-367	1253 Exposition Dr	Burglary	Resident came home to a suspect inside his living room, going through a box of his things. The suspect fled and three laptops were taken from the apartment.
19-Feb-15	150-154-555	1430 Gateview Ct	Malicious Mischief	V reported that after arguing with his girlfriend, he found the tires of his vehicle, slashed.
21-Feb-15	150-159-113	1113 Keppler Ct	Stolen Vehicle	Honda station wagon reported stolen.
21-Feb-15	150-159-840	725 California Ave	Auto Boost	Rear window of, vehicle shattered between 10am-11am. Personal items were taken outo f the vehicle.
21-Feb-15	150-159-862	725 California Ave	Auto Boost	Left rear window of, vehicle shattered between 10am-11am. Personal items were taken out of the vehicle.
21-Feb-15	150-161-679	1204 Mariner Dr	Burglary	V returned home to a suspect inside of his livingroom. The suspect shattered the rear sliding door to gain entry. The suspect fled the scene.
22-Feb-15	150-164-071	401 California Ave	Auto Boost	Between 5pm-530pm. An unknown suspect shattered the vehicle window and stole several personal items from a vehicle.
24-Feb-15	150-168-540	351 Ave H	Found Person	Job Corp report that a missing person has been found.
24-Feb-15	150-170-357	990 13th 5t	Theft from Building	V reported that between 2014-2015, 80 bottles of congnac were taken from the warehouse inventory.
25-Feb-15	150-173-834	1115 Keppler Ct	Theft	V reported this his license plate was stolen between 01/-25- 01/28.
25-Feb-15	150-177-864	275 California Ave	Battery	Physical altercation between to people in the Job Corp program.

February 2015 Treasure Island Crime Statistics Provided by Officer J. O'Keeffe #681 on behalf of Captain DeFilippo, Southern Station

	LEGEND: (V) = Victim (S)	= Suspect (J) = Juvenile	

CASE ID	OPEN DT	CLOSED DT	CATEGORY	TYPE	LOCATION	OTHER DESCRIPTION	ACENCY
3084128	11/20/2013 8:56:59 AM		Street Defects	Pavement_Defect	Intersection of TREASURE ISLAND		DPW BSSR
3612259	5/5/2014 6:22:43 AM		Tree Maintenance	Trees - Damaged_Tree	Nu and Intersection of NIMITZ LN and	2 very dead and large broken tree limbs,,waiting to fall on below roadway and probably damage cars and, fall someone. Also 2 blown down Gum trees that probably also should be ,,,obvious	DPW BUF
3774378	6/26/2014 9:05:44 AM		Graffiti Private Property	Not_Offensive Graffiti on Private Property	Intersection of 5TH TI ST and	330 05th TI St Graffiti - Private	DPW BSES BUF
8864749	7/28/2014 1:43:33 AM		Streetlights	Streetlight -	Intersection of I-80 E OFF RAMP and Pole R30	Pole R30	PUC Power
8871829	7/29/2014 11:57:24 PM		Streetlights	Streetlight -	1201 BAYSIDE DR, SAN FRANCISCO, Replaced 400 watt hps	Replaced 400 watt hps	PUC Power
4239239	11/24/2014 12:35:02 PM		Street Defects	Pavement_Defect	Intersection of 13TH TI ST and		DPW BSSR
1285097	12/9/2014 10:05:01 AM		Street Defects	Pavement_Defect	Intersection of HILLCREST RD and TREASURE ISLAND RD	Hillcrest Rd — For Front End Loader (FEL): What? To clean the debris off the road, Debris is causing traffic hazard, dump the debris on the Treasure islands, Chris	DPW BSSR
4293046	12/11/2014 10:04:40 AM		Sewer Issues	Flooding	Intersection of OZBOURN CT and	Catch basin behind 1141-F and another behind 1133H mason. Riser pump at 1133 mason working. These	PUC Sewer
4456099	2/3/2015 3:22:19 PM		Streetlights	Streetlight -	106 FOREST RD, SAN FRANCISCO,	106 Forest Rd on Yerba Buena	PUC Power
4512047	2/21/2015 8:54:16 AM		General Requests	puc - sewer - request_for_service	1307 GATEVIEW AVE, SAN FRANCISCO, CA, 94130	a Vactor need vactor TI- called	PUC Sewer



CASE ID	OPEN DT	CLOSED DT CATEGORY	TYPE	LOCATION	OTHER DESCRIPTION	AGENCY
4356799	1/2/2015 8:37:35 PM		Streetlight - Light Burnt Out	Intersection of MASON CT and	IFO 1135G Mason.	PUC Streetlights
4357038	1/3/2015 6:37;34 AM	1/12/2015 1:22:35 PM Abandoned Vehicle	Abandoned Vehicle - Other 1449 CNOAKR CT, SAN FRANCISCO, CA, 94130	1449 GROAKER CT, 5AN FRANCISCO, CA, 94130	TIDA has referred the vehicle and differents in question to the residential building's property manager, Villages at Treasure Island. Villages villages followup as it is responsible for management of residential parking at its residential properties.	ТГДА
4380117	1/9/2015 10:41:44 PM	1/12/2015 5:47:09 AM Damaged Property	Damaged Transit_Shelter_Platform_H NORTHPOINT DR azardous	Intersection of GATEVIEW AVE and NORTHPOINT DR	GATE VIEW & NORTHPOINT CALLER STATES THE SHELTER GLASS IS BROKEN. THERE IS GLASS	SSD - Field Operations
4382036	1/10/2015 6:33:11 PM	1/15/2015 1:27:39 PM Damaged Property	Damaged Transit Shelter Ad Kiosk	1244 NORTH POINT DR, SAN FRANCISCO, CA. 94130	Glass broken	SSD - Field
4383743	1/11/2015 4:29:19 PM	1/12/2015 6:23:02 AM Damaged Property	Damaged Intersection of GA Transit_Shelter_Platform_H NORTHPOINT DR	TEVIEW AVE and		311 Operations
4386337	1/12/2015 1:19:16 PM	1/15/2015 6:17:02 AM Damaged Property	Damaged Transit_Shelter_Platform_H NORTHPOINT DR	Intersection of GATEVIEW AVE and NORTHPOINT DR		SSD - Field Operations
4390510	1/13/2015 3:05:07 PM	1/22/2015 12:09:30 PM Sign Repair	Sign - Faded	Intersection of AVENUE E and 9TH	Avenue E at 9th AVENUE E name TIDA sinn is faded	TIDA
4390527	1/13/2015 3:08:31 PM	1/22/2015 12:09:08 PM Sign Repair	Sign - Faded	Intersection of 13TH TI ST and AVENUE E	Avenue E at 13th AVENUE E name sign is faded and pointed the	TIDA
4418308	1/22/2015 12:45:17 PM	-	General Cleaning	Intersection of 13TH TI ST and	Shattered glad on street near kids	DPW BSES BUF
4424610	1/24/2015 1:19:08 PM	2/3/2015 1:21:27 PM Abandoned Vehicle	Abandoned Vehicle -	Intersection of 13TH TI ST and AVENUE I		TIDA
4466472	2/6/2015 1:43:04 PM	2/6/2015 3:34:20 PM Street and Sidewalk	General Cleaning	Intersection of 3RD TI ST and	Broken LED lights	311 Operations
4494034	2/15/2015 9:24:26 AM	2/17/2015 8:10:12 PM	General Cleaning	Intersection of 8TH TI ST and		DPW BSES BUF
4494036	2/15/2015 9:24:52 AM	2/17/2015 8:10:54 PM	General Cleaning	Intersection of 8TH TI ST and AVENUE M		DPW BSES BUF



CITY & COUNTY OF SAN FRANCISCO
TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
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SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
www.sftreasureisland.org



Treasure Island /Yerba Buena Island Citizens Advisory Board Meeting Agenda

Tuesday, March 3, 2015 6:00-8:00 PM

San Francisco City Hall, Rm 421 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

For further information about the meeting please contact Kate Austin at (415) 274-0646

I.	Roll Call
II.	Approval of February 3, 2015 CAB Minutes (Action Item)
III.	TIDA Staff Updates (Information Item) - 10 min a) Treasure Island Development Authority Board b) Legislative c) Development Schedule d) Navy Environmental Program
IV.	Introduction to Major Phase 1 Application (Discussion Item) - 10 minutes
V.	Geotechnical Improvements in Major Phase 1 (Discussion Item) - 30 minutes
VI.	Sea Level Rise Mitigations and Shoreline Improvements in Major Phase 1 (Discussion Item) - 30 minutes
VII.	Future Agenda Items (Action Item) - 5 min
VIII.	Announcements from Board members - 5 min
IX.	Public Comments - 10 min
X.	Adjourn



AGENDA NAVAL STATION TREASURE ISLAND BRAC CLEANUP TEAM MEETING

Date: Wednesday, February 18, 2015

Time: 10:00 a.m. to 11:30 a.m.

Place: Tetra Tech. 1999 Harrison Street, Suite 500, Oakland, CA

> Dial In: 866-692-5721 Meeting ID#: 0002015

Webinar link: https://global.gotomeeting.com/join/812574285

**NOTE: If this is your first webinar, please log-in 10 minutes early to

ensure your computer can sync with GoToMeeting webinars.

10:00 – 10:15 (15 minutes)	Introductions, Meeting Guidelines, Agenda Review, Meeting Minutes (Keith Forman / Jessica O'Sullivan)
10:15 - 10:25 (10 minutes)	Site 6 Final Status Survey Update (Louie Cardinale)
10:25 - 10:35 (10 minutes)	Site 12 Phase III NTCRA (Chris Yantos)
10:35 - 10:45 (10 minutes)	Site 24 Proposed Plan Comments (Danielle Janda)
10:45 - 10:50 (5 minutes)	Property Transfer Update (Keith Forman / Dave Clark)
10:50 - 11:00 (10 minutes)	General Discussion of Radiological Issues at TI (Keith Forman / Dave Clark)
11:00 - 11:10 (10 minutes)	Upcoming Documents and Field Activities (Dave Clark)
11:10 – 11:20 (10 minutes)	Open Forum for City / Developer / BCT

11:20 - 11:25

(5 minutes)

(5 minutes)

Community Relations Update (Keith Forman / Tommie Jean Valmassy)

11:25 - 11:30Action Item Review / Other Meetings (Keith Forman)

Future BCT Meetings:

March 18, 2015, Tetra Tech Inc., Oakland, California April 22, 2015, Tetra Tech Inc., Oakland, California May 20, 2015, Tetra Tech Inc., Oakland, California



AGENDA

NAVAL STATION TREASURE ISLAND

ENVIRONMENTAL RESTORATION ADVISORY BOARD MEETING

Tuesday, 17 February 2015 Casa de la Vista Building 271, Treasure Island MEETING NO. 175

I. WELCOME REMARKS AND AGENDA REVIEW

7:00 - 7:05 Welcome, Introductions

Lead: Keith Forman, Navy Co-Chair

7:05 - 7:10 Agenda Review

Lead: Alice Pilram, Community Co-Chair

II. OLD BUSINESS

7:10 -7:30 RAB meeting Minutes Approval

Lead: Keith Forman, Navy Co-Chair

7:30 - 7:40 BRAC Cleanup Team Update

Leads: DTSC and Water Board

III. NEW BUSINESS

7:40 - 8:25 The Next Removal Actions at Site 12

Leads: Keith Forman and Dave Clark, Navy

Presentation Q&A: RAB
Presentation Q&A: Community

8:25-8:35 Document Tracking Sheet and Field Schedule

Lead: Dave Clark, Navy

8:35 - 8:45 Co-Chair Announcements and Future Agenda Items

Lead: Alice Pilram, Community Co-Chair

IV. COMMENTS ON NON-AGENDA ITEMS

8:45 - 9:00 Community Question and Answer Period

Lead: Keith Forman, Navy Co-Chair

9:00 Closing Remarks

Lead: Co-Chairs

Next Regular Meeting: No March 2015 Meeting

7:00 pm Tuesday, 21 April 2015 Casa de la Vista, Treasure Island

Next Treasure Island Citizen's Advisory Board (CAB) Meeting: See the web site for latest dates and times for future meetings: www.sftreasureisland.org

Next Interim RAB Community Member Conference Call:

7:00 pm. Tuesday, 31 March 2015 Call-ln Number: 1- 866-738-8583 Participant Code: 6153166

Navy BRAC Web Site: http://www.bracpmo.navy.mil (click on map for Treasure Island)

Navy San Diego Office Address:

BASE REALIGNMENT AND CLOSURE PROGRAM MANAGEMENT OFFICE WEST NAVAL FACILITIES ENGINEERING COMMAND 1455 FRAZEE ROAD, SUITE 900 SAN DIEGO, CA 92108-4310

DRAFT MEETING MINUTES RESTORATION ADVISORY BOARD FORMER NAVAL STATION TREASURE ISLAND 09 December 2014 Meeting Number 174

Community Restoration Advisory Board (RAB) Members in attendance: John Gee, Becky Hogue, Alice Pilram (Community RAB Co-Chair), Dale Smith

Department of the Navy and Regulatory Agency RAB Members in attendance:

Keith Forman, Navy RAB Co-Chair

Remedios (Medi) Sunga, Department of Toxic Substances Control (DTSC) Myriam Zech, San Francisco Bay Regional Water Quality Control Board (Water Board)

Other Navy and Regulatory Staff and Consultant Representatives in attendance:

Bryce Bartelma, Navy Dave Clark, Navy Yashekia Evans, Tetra Tech, Inc. Derek Farmer, Tetra Tech, Inc.

Danielle Janda, Navy

Jessica O'Sullivan, Tetra Tech, Inc. Ray Schul, Chicago Bridge & Iron (CB&I)

Tommie Jean Valmassy, Tetra Tech. Inc.

Public Guests in attendance:

Robert Beck, Treasure Island Development Authority (TIDA) Carol Harvey Carlos Herdia, resident

Carlos Herdia, resident Erik Lundgren, resident Kathryn Lundgren, resident, Treasure Island Health Network (TIHN) Damian Ochoa, resident Liz Wagner, NBC Bay Area Melanie Williams, resident

Welcome Remarks and Agenda Review

Keith Forman (Base Realignment and Closure [BRAC] Environmental Coordinator [BEC]) opened the December RAB meeting for the Former Naval Station Treasure Island (NAVSTA TI) held at the Casa de la Vista (Building 271) on Treasure Island (TI).

Alice Pilram (RAB Community co-chair) reviewed the agenda (Attachment A). Mr. Forman noted the meeting will follow the same format, with public comment and questions being timed for 2 minutes to allow everyone a chance to speak while adhering to the schedule.

Internal Draft Treasure Island Restoration Advisory Board Meeting Minutes, 09 December 2014 Page 2 of 8

Old Business - New RAB Member Vote

Ms. Pilram said the RAB received a membership application from resident Becky Hogue. RAB members have had the opportunity to review the application and voted to welcome Ms. Hogue to the board.

Old Business - RAB Minutes Approval

The RAB had no comments on the meeting minutes for October 2014, Meeting 173. The minutes were approved as final.

Old Business - BRAC Cleanup Team Update

Medi Sunga (DTSC) said DTSC has been working with the California Department of Public Health (CDPH) to review radiological documents, including the 1400 Series housing radiological report. DTSC also reviewed the first basewide Five-Year Review and some transfer-related documents. Ms. Sunga said she also reviewed responses to comments, including those on the Site 6 Record of Decision (ROD) and the Site 27 Remedial Action Completion Report.

Dale Smith (RAB member) said the enclosed CD has been in a flimsy container when she receives documents. This container allowed the CD to fall out and get scratched, making it unreadable. Mr. Clark said he will look into the matter and ask contractors to use a sturdier container for CDs.

New Business - 2014 Look Back

Mr. Forman and Mr. Clark presented the 2014 Look Back presentation (Attachment B). Mr. Forman said the presentation will review the status of the cleanup sites under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), which is the federal law guiding the cleanup. Mr. Forman reviewed the CERCLA steps and showed a map indicating the progress of the open sites in the CERCLA process. Mr. Forman said the presentation will also review the 2014 progress in the radiological program as well as the progress related to land transfer.

Mr. Forman said there are currently eight open CERCLA sites; in 2013 there were nine, but during 2014 the Navy closed Site 33. Three of the open sites are located on Yerba Buena Island (YBI) and the process is on hold until Caltrans demobilizes from the area. Mr. Clark said Caltrans is using several areas of YBI for the deconstruction of the old eastern span of the Bay Bridge and should finish in late 2016.

Mr. Forman said the Navy recently signed the Site 6 ROD, which is a significant milestone. It is being signed by DTSC and the Water Board, then the Navy can move to the next step in the CERCLA process (remedial design).

Internal Draft Treasure Island Restoration Advisory Board Meeting Minutes, 09 December 2014 Page 3 of 8

Mr. Forman said a lot of work was done in Site 12 during 2014, including a removal at Bigelow Court and a data gaps investigation. There were also radiological investigations. During 2014, the Navy also continued to plan a significant amount of work to be done at Site 12 in 2015, which will be discussed during the next presentation.

Mr. Forman said many documents were finalized this year. They include the Community Relations Plan Update, the Historical Radiological Assessment Supplemental Technical Memorandum (HRASTM), and the Finding of Suitability to Transfer (FOST). Mr. Forman said the Navy will tender property to the City of San Francisco, and then the city will have to officially accept it. Bob Beck (TIDA) said the San Francisco Board of Supervisors has already voted to accept the property, so now it is a matter of administrative processes such as confirming the title to the property and insurance. In addition, the focused feasibility study for Site 24 was also finalized, and a Proposed Plan (PP) and related public meeting will take place in 2015.

Mr. Forman said the Navy completed the first basewide Five-Year-Review for NAVSTA TI in 2015. Any site with a ROD that requires a remedy or controls must be evaluated to verify the cleanup solutions are still effective. Mr. Forman said the document is a summary that provides a state-of-the-program update and covers all sites, and not just the ones with a remedy in place. Mr. Clark said Site 31 was restored in 2014, and the nearby intersection that was closed for some time has now been re-opened. The remedial action completion report for Site 27 that included a survey of the depth to sediment bottom of this off-shore site was also completed in 2014.

Mr. Forman reviewed the progress of the radiological program for 2014. Site 6 is currently being scanned and soil samples are being collected. The goal is to gain radiological free-release for the site from the CDPH. In Site 12, the Navy scanned all accessible areas such as roadways, open spaces, and back yards. During the summer of 2014, the Navy completed interior scans of all residences on TI. Mr. Forman said that as a result the Navy has data for all publicly accessible areas of Site 12.

Mr. Forman said the excavation at Bigelow Court was completed in layers, removing and then scanning a foot of soil at a time. Mr. Clark said the excavation allowed the Navy to study the area, and the Navy did not find what would typically be expected at a solid waste disposal area (SWDA), such as industrial debris, drums, ash, and construction debris. The soil was generally clean and did not have debris. Although Bigelow Court was designated as an SWDA, any contamination there is likely from construction grading and historical surface storage activities.

Internal Draft Treasure Island Restoration Advisory Board Meeting Minutes, 09 December 2014 Page 4 of 8

Mr. Forman and Mr. Clark reviewed a map indicating the property that will be transferred to the city within the next 60 days. There have been four FOST documents, so property from all four will be conveyed in this initial transfer. Mr. Clark noted there are some areas on the map that were already transferred to other federal agencies (known as a "fed-to-fed transfer") such as Coast Guard and Department of Labor Job Corps property. Mr. Forman noted that Building 1, the administration building, is one of the structures being transferred. The Navy maintains a Caretaker Site Office at Building 1, and will then be a tenant rather than a landlord after the transfer.

Mr. Forman asked for questions from the RAB. Dale Smith (RAB member) said the maps in the presentation indicate that all land on YBI belongs to either the Coast Guard or the Navy. However, she recalls there being some property that specifically still belongs to the Army. Ms. Smith said she believes it is the torpedo building and saw it listed as Army property on a map in the screening-level ecological risk assessment for YBI. Mr. Clark agreed that is an important detail to work out before transfer and said he will look into it.

Ms. Smith asked why, during interior residential radiological scans, the technicians paused and took a static reading in the doorway, as noted in the Draft Radiological Housing Scan Completion Report. Raymond Schul (CB&I) said his team set up a 1-meter-square-grid pattern within each unit, and within each square a static reading was also collected. Ms. Smith said that is unclear in the document and added there is language saying the team obtained a few "unexpectedly low" readings. Mr. Schul said there was nothing significantly lower than expected, and that information will also be clarified in the document.

Ms. Smith asked if every single building, even those not leased, was inspected. Mr. Clark said every building that is leased to TIDA, whether it is vacant or occupied, was scanned. Some buildings that are not leased and will not be leased in the future were not scanned. Some of those buildings are subject to the non-time-critical removal action, in which case they are radiologically scanned before they are demolished. Others not being demolished will be scanned as well as part of a separate project.

Mr. Forman asked for questions from the community. Melanie Williams (resident) said she is a long-term resident and wants to know if she and her children are safe on Treasure Island. She asked if the Navy representatives present would have a problem living on Treasure Island. Mr. Clark said he would not have a problem living on Treasure Island. He added that he is a member of the technical staff, deals with the environmental findings and issues daily, has a full understanding of them, and would have no problem living on Treasure Island.

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Kathryn Lundgren (resident) said she is not comfortable living on Treasure Island. Ms. Lundgren said she believes the Navy knew the full extent of environmental conditions on Ti; otherwise, the Navy never would have included restrictions in the residential leases. Ms. Lundgren said she is concerned that tenants are being offered reused items from buildings that are being demolished. Mr. Forman said the housing provider is given some of the siding, if requested, to use in place of weathered siding in areas. Ms. Lundgren said she is concerned that Mr. Forman said, during the November bus tour, that the stockpile of dirt came from the Doyle Drive project in the Presidio in San Francisco, and she does not believe that is a clean area. Mr. Forman said he is not familiar with the Doyle Drive project and does not recall making that comment during the tour. Mr. Forman asked Ms. Lundgren to provide her list of questions so he can get them all answered because she had gone over her 2-minute limit.

Carol Harvey said she is a journalist, and also lives in the San Francisco marina district. She said she believes the Navy knew Halyburton and Bigelow Courts were toxic because they never let civilians live there. Mr. Forman said the Navy allowed the city to lease NAVSTA TI property with the restriction that there be no digging, since the area had not yet been fully investigated through the entire CERCLA process and this was documented in the original Finding of Suitability to Lease (FOSL). What the Navy did not know was the extent of the contamination before further investigations were conducted. Mr. Clark said an initial site investigation was conducted after base closure, and it was determined that Halyburton and Bigelow Courts were ultimately not suitable for occupants at the time based on possible chemical contamination. Ms. Harvey said if the area was chemically or radiologically contaminated, then it is not suitable for habitation. Mr. Forman said that this is not necessarily true; it depends on the level, location, and potential exposure pathway. Mr. Forman said a review of the site investigation document might help Ms. Harvey better understand the initial FOST.

Damian Ochoa (resident) said he was told some of the fields on TI had been scanned and found to have radiological contamination and cannot be used; he said perhaps one of the rugby fields was involved. Mr. Clark said there are no fields on TI that the Navy is aware of that are closed because of radiological contamination. Mr. Forman said none of the rugby or little league fields are closed. He added that in addition to Navy scans, CDPH initially scanned the fields and other public areas a few years ago. Mr. Ochoa said he also had concerns about the interior residential radiological scanning conducted in summer 2014. Some pieces of artwork stored in his garage were mishandled and destroyed. Mr. Forman said he was not aware of this situation, and the scanning was completed more than 4 months ago. Mr. Ochoa said he and his partner informed TIDA and sent an email to Mr. Forman as well. Mr. Beck said he does not specifically remember an issue with artwork. Mr. Forman asked Mr. Ochoa

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to share the original emails again with Mr. Beck, and then Mr. Beck can work with the Navy on the situation. Mr. Ochoa said he is also concerned about the mold and mildew on Tl. He was previously relocated from one unit because of extensive mold and said the problem continues. He has worked with his housing provider, Dan Stone, and was previously compensated for ruined items; however, the mold problem continues.

Erik Lundgren (resident) said it is his understanding that only zero radiation is safe, so to be told that certain levels near his home are safe does not make sense to him. Mr. Lundgren said he also heard on the bus tour that there is arsenic in the groundwater, but that it does not pose a risk to people. He said he works for AT&T, and the utility poles he works on are covered with creosote and arsenite. His employer told him as a safety precaution he should wash his work clothes separate from the laundry for the rest of his family. He asked if the arsenic in the groundwater is coming to the surface when it rains and compared it with the covering on the utility poles. Mr. Lundgren said he is concerned the arsenic is posing a health risk to residents. Ms. Sunga clarified that the area of Site 12 they are discussing is not an arsenic-contaminated site, rather, it is a total petroleum hydrocarbon (TPH) site. The TPH is causing naturally occurring arsenic to leach from the soil into the groundwater. Myriam Zech (Water Board) said levels of arsenic that do not pose a risk to humans may pose a risk to San Francisco Bay, so if the arsenic in groundwater reaches the bay, then it would be an ecological risk.

New Business - 2015 Look Ahead

Mr. Forman and Mr. Clark provided an update on the planned work for NAVSTA TI for 2015 (Attachment C). Mr. Clark reviewed the key goals on slide 2, noting these are not all of the projects for 2015, but some of the milestones the Navy plans to accomplish this year. He said the Site 12 feasibility study (FS) will be amended using data from the recent data gaps investigation. There will be extensive excavation work ongoing in the Site 12 housing area in 2015.

The Navy will present PPs for public comment in 2015 for Sites 24 and 32. The PP presents the preferred cleanup plan for a site. At Site 6, the final selected remedial action will be implemented in 2015.

Mr. Clark also presented a list and reviewed a map of all the areas for which the Navy hopes to achieve radiological free release. There are four sites where the Navy will seek free release in 2015: Building 3, SWDA Bigelow Court, Building 233, and Site 31. CDPH is the agency that grants radiological free release.

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Mr. Forman reviewed the planned community outreach activities for 2015, including RAB support, a community tour, public meetings, progress reports, work notices, and Navy attendance at other public meetings.

Mr. Forman asked for questions from the RAB. Ms. Smith said she submitted a comment on the Site 24 focused FS and did not receive the final document with an answer. There is a monitoring well near the bay, located on Avenue N with slightly elevated volatile organic compound (VOC) levels. The document did not list any treatment plans for that area, and Ms. Smith would like to know why. Danielle Janda (Navy) is the project manager for that site. Ms. Janda said the VOC levels are low enough in that area that the Navy does not anticipate needing to actively treat it. However, the Navy will continue to monitor the area, and that decision will be made later during a remedial design. Ms. Janda said the likely remediation plan for that area will include zero valent iron (ZVI), so if the plume Ms. Smith is referring to needs treatment, ZVI will be used there as well.

Ms. Smith said that RAB member Nathan Brennan asked a question at a previous meeting about a dioxin detection at an area near Site 6, and asked if an answer will be provided. Mr. Clark said he looked into the matter and is prepared to respond. Mr. Clark said there was a detection of dioxin along Avenue M, near but not within Site 6. However, subsequent to that detection, the Navy extended the boundary of Site 6 to include that area. That detection was included in the remedial investigation/FS and covered in the ROD. Since Mr. Brennan is not at this meeting, Mr. Clark will follow up separately at the next meeting.

Mr. Forman asked for community comments and questions. Ms. Harvey thanked the Navy for the bus tour held in November. She said that Mr. Forman said during the tour that the majority of the approximately 600 found radiological objects were found in SWDA Westside Drive. Ms. Harvey asked why the majority were found there. Mr. Forman said the SWDA is at the end of what was a runway. Mr. Clark said the HRASTM notes that the end of the runway is a documented disposal area. At the time the naval station was active, radium-226 was not regulated, so those items could have been discarded with other waste. Ms. Harvey asked about the origin of the discarded items. Mr. Clark said there is no specific documentation, but ship repair and dismantling were common activities that could have resulted in refuse, which was then disposed of.

New Business - Document Tracking Sheet and Field Schedule

Mr. Clark presented the Document Tracking Sheet (DTS) (Attachment D) and the Field Schedule (Attachment E). Mr. Clark reviewed upcoming documents and field work, many of which were discussed in the 2015 Look Ahead presentation.

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New Business - Co-Chair Announcements and Future Agenda Items

Ms. Pilram did not have any announcements. Mr. Forman said he sent an email to the RAB with all of the data from the Navy soil stockpiles that came from the University of California at Berkeley stadium expansion project.

Closing Remarks

Mr. Forman thanked the RAB members, the regulatory agency members, and the community for helping to make 2014 a productive year for the Navy's cleanup program. The Next RAB meeting will be Tuesday, February 17, 2015. The meeting was adjourned at 9:23 p.m.

Action Items

#	Action Item	Due Date	Status
1	Ask contractors to use a more sturdy container for CDs	1/15/15	Completed. Mr. Clark sent email to contractors and discussed the issue with Navy project managers.

09 December 2014 RAB Meeting Handouts [attached when minutes are finalized]

- · Attachment A: NAVSTA TI RAB Meeting No. 174 Agenda
- Attachment B: 2014 Look Back Presentation
- Attachment C: 2015 Look Ahead Presentation
- Attachment D: Document Tracking Sheet
- · Attachment E: Field Schedule



PROPOSED PLAN/DRAFT REMEDIAL ACTION PLAN FORMER NAVAL STATION TREASURE ISLAND Installation Restoration Site 24

San Francisco, California

February 2015

INTRODUCTION

The Department of the Navy (Navy) presents this Proposed Plan/Draft Remedial Action Plan (Proposed Plan/Draft RAP)¹ for remediation of Installation Restoration (IR) Program Site 24 (Site 24) at the former Naval Station Treasure Island (NAVSTA TI) (Figure 1). Hazardous chemicals were released to the environment during the operations of a dry cleaning facility on the former Naval Installation. The Navy conducted environmental investigations at Site 24 and has evaluated technologies and options to clean up remaining chemicals at the Site.

This Proposed Plan/Draft RAP presents remedial (cleanup) alternatives developed in the 2014 Site 24 Focused Feasibility Study Addendum (FFSA) and identifies the Navy's preferred alternative. After all information submitted during the public comment period on the Proposed Plan/Draft RAP has been reviewed and considered, the Navy, in consultation with the regulatory agencies: U.S. Environmental Protection Agency (EPA), the California Department of Toxic Substances Control (DTSC), and the San Francisco Bay Regional Water Ouality Control Board (Water Board), will select a remedial alternative for the Site. This will be documented in the Record of Decision/Final Remedial Action Plan (ROD/Final RAP). The Navy may modify the preferred alternative or select another remedial alternative presented in this Proposed Plan/Draft RAP based on new information or public comments. The public is therefore encouraged to review and comment on all of the alternatives presented in this Proposed Plan/

CONTENTS Introduction page 1 The CERCLA Process page 2 Site Background page 3 Nature and Extent of Contamination page 3 Radiological Sites within Site 24..... ... page 4 Summary of Site Riskspage 6 Remedial Action Objectives and Cleanup Goals page 7 Evaluation of Remedial Alternatives...... page 10 Summary of the Preferred Alternatives for Soil and Groundwater......page 13 Regulatory Summary......page 14 The Next Step _____ page 14 Opportunities for Community Participation page 15 Glossary of Terms page 15 Information Repositories page 18 Proiect Contacts......page 18 Draft RAP. A final decision will not be made until all comments submitted during the review period are considered. See instructions on how to provide comments in the text box on page 15.

This Proposed Plan/Draft RAP summarizes the remedial alternatives the Navy evaluated. It also explains the basis for selecting the preferred alternative to address chemical and potential radiological contamination at Site 24. The Navy recommends the alternative that is summarized below:

- Remove and dispose soil in areas that may be contaminating groundwater or soil gas.
- In-situ groundwater treatment to breakdown contaminants to non-toxic by-products.
- > Conduct groundwater and soil gas monitoring.
- Investigate and characterize radiologically impacted sites within Site 24, and decontaminate the sites if necessary.
- Use institutional controls (IC) to restrict certain land uses as a contingency measure should the cleanup goals not be met prior to redevelopment.

Public comments on this Proposed Plan/Draft RAP will be accepted from Monday, February 23 through Monday, March 24, 2015. Public comments can be

- NOTICE -

Public Comment Period February 23 to March 24, 2015

> Public Meeting March 11, 2015

Casa de la Vista, 191 Avenue of the Palms Treasure Island 6:30 p.m. to 8:00 p.m.

Words in **bold** type are defined in the glossary on page 15.

submitted via mail, fax, or e-mail throughout the comment period. A public meeting will be held from 6:30 p.m. to 8:00 p.m. on Wednesday, March 11, 2015, at the Casa de la Vista, 191 Avenue of the Palms on Treasure Island. Members of the public may submit written and oral comments on this Proposed Plan/Draft RAP at the public meeting. Written comments can be provided any time during the comment period but must be received no later than Monday, March 24, 2015. Please refer to page 15 for further information on how to provide comments.

THE CERCLA PROCESS

The Navy is issuing this Proposed Plan/Draft RAP as part of its public participation responsibilities under Section 117(a) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and Section 300.430(n)(2) of the National Oil and Hazardous Substances Pollution Contineency Plan (NCP).

This Proposed Plan/Draft RAP highlights key information and conclusions presented in the 2014 Site 24 FFSA, which is the most recent and definitive study of the Site. The FFSA supersedes a prior focused feasibility study that was part of the 2008 Remedial Investigation/Focused Feasibility Study (RI/FFS). The flowchart in Figure 2 illustrates the status of Site 24 in the CERCLA Process.

The 2008 RI/FFS, the 2014 FFSA, the 2006 Historical Radiological Assessment (HRA) and 2014 HRA supplemental Technical Memorandum (HRASTM) are critical studies that lay the groundwork to address chemical and potential radiological contamination. The Navy received regulatory agency and public input during development of the 2008 RI/FFS and the 2014 FFSA. This input helped identify the remedial alternatives for site cleanup and aided in selection of the preferred remedial alternative combination presented in this Proposed Plan/Draft RAP.

An historic timeline presented in Figure 3 on page 3 lists the environmental investigations conducted from 1988 to 2014 at Site 24, or investigations that have included Site 24. The Navy has conducted numerous environmental investigations at Treasure Island since the mid-1980s. These investigations have identified contamination that poses a potential risk to human health. The Navy performed a three-phase treatability study from 2001 to 2012 that greatly reduced contaminant concentrations at Site 24, but the Navy must now address remaining contaminants with a final remedial action. The Navy's preferred chemical and radiological remedial alternatives for the final remedial action are presented in this Proposed Plan/Draft RAP.



Figure 1. Location of Former Naval Station Treasure Island and Site 24

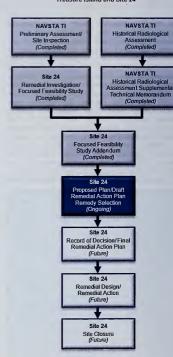


Figure 2. Current Phase in CERCLA and California Health and Safety Code Process

- . Building 99 at Site 24 used as a laundry then as a dry cleaning facility through 1977 •Preliminary Assessment / Site Inspection at Naval Station Treasure Island 1988 ·Phases I, IIA, and IIB Remedial Investigation of 1992-199 soil and groundwater at Site 24 Naval Station Treasure Island Basewide **Groundwater Program** 1995-2003 Naval Station Treasure Island Closed Official Navy operation ceased ·Building 99 source area investigated 001-200 •Groundwater Treatability Study at Site 24 conducted in three phases 2003-2012
 - Historical Radiological Assessment at former
 - Naval Station Treasure Island
 - Final Remedial Investigation and Focused Feasibility Study
 - Soil Gas Investigation at Site 24
 - · Historical Radiological Assessment Supplemental Technical Memorandum
 - Focused Feasiblity Study Addendum
 - Proposed Plan/Draft RAP Prepared for Site 24

Figure 3. Site 24 Timeline

After the public comment period, the ROD/Final RAP will document the selected remedial alternative, identify the remedial action objectives (RAO), cleanup goals, and outline performance standards that must be met to complete the remedial action. After finalizing the ROD/ Final RAP, the next steps in the CERCLA process include the remedial design (RD) and remedial action which involve planning and implementing the site cleanup remedy. The 2014 FFSA and other Site 24 documents are available for public review at the locations listed on page 18.

SITE BACKGROUND

Treasure Island is located in the San Francisco Bay in between mainland San Francisco and Oakland (see Figure I on page 2). This Proposed Plan/Draft RAP applies to Site 24. Site 24 is located along the southeastern edge of Treasure Island and occupies 20.4 acres. Site 24 contains 10 existing buildings, most of which are unused.

Historically, Site 24 was used to support various Naval operations. Parts of Building 99 were used as a dry cleaning facility from 1942 through 1977. Dry cleaning facilities typically used chlorinated solvents that, when spilled or disposed of improperly, contaminate soil and groundwater. Other relevant historical uses include a Supply Department Salvage Yard (Lot 69), where hazardous and non-hazardous materials were temporarily stored prior to disposal, and a Radiation Detection, Indication, and Computation School (Buildings 342, 343, and 344) where radioactive materials were used in training naval personnel. These Site features are shown on Figure 4 on page 4.

NATURE AND EXTENT OF CONTAMINATION

The nature and extent of contamination at Site 24 is based on more than two decades of environmental investigations, groundwater monitoring, and groundwater treatability study actions at Treasure Island and Site 24 (see Figure 3). Volatile organic compounds (VOC). specifically tetrachloroethene (PCE), trichloroethene (TCE), dichloroethene (DCE), and vinvl chloride (VC) were identified in soil, groundwater, and soil gas at and in the vicinity of the dry cleaning facility within Building 99. Dry cleaning chemicals were likely spilled or leaked into subsurface soil, migrated downward groundwater, and volatilized into soil gas.

PCE is a commonly used dry cleaning solvent. Over time, bacteria break down PCE in the environment. producing the TCE, DCE, and VC. These chemicals are sometimes collectively referred to as chlorinated ethenes and are reported as a sum of their individual concentrations. With time and under favorable conditions, chlorinated ethenes can be broken down into non-toxic compounds.

In 2002, chlorinated ethenes were found in groundwater extending from Building 99 to the San Francisco Bay (see Figure 5 on page 5). The Navy conducted a multi-phase treatability study at Site 24 from 2003 through 2012. The treatability study involved injecting a type of dechlorinating bacteria and nutrient sources (such as vegetable oil) for microorganisms into the groundwater. The addition of the nutrient source allows the dechlorinating bacteria to grow, breaking down chlorinated ethenes to non-toxic ethene in the process. This is a common practice for treating groundwater, referred to as in-situ bioremediation (ISB). The study showed that the contaminants could be broken down to non-toxic compounds.

After the completion of the study, the extent of chlorinated ethenes was reduced significantly, as shown in Figure 6 on page 5. Now, chlorinated ethenes in groundwater are limited to several smaller plumes and mainly consist of DCE and VC. Bacteria cannot break down DCE and VC as easily as bacteria can break down PCF and TCE.

VOCs in groundwater and soil can volatilize into soil gas and be transported to air inside buildings. Therefore, the extent of contamination can be measured by analyzing groundwater or soil gas samples. Preliminary soil gas samples collected in 2011 showed that chlorinated ethenes were present in low concentrations. In 2015, the Navy will be collecting comprehensive soil gas data at Site 24 to aid in designing the remedial action to clean up the remaining chlorinated ethenes.

RADIOLOGICAL SITES WITHIN SITE 24

The Navy completed a comprehensive review of the historical use of radioactive materials during Navy operations at the former NAVSTA Treasure Island, which are presented in the HRA and the HRASTM.

The HRA and HRASTM identified "radiologically impacted" sites that are within the Site 24 boundary. These sites, shown on Figure 4, are:

- Former Supply Department Salvage Yard (Lot 69);
- Building 342, and associated yard area and sanitary sewer line;
- · Building 343; and
- · Building 344.

There is no confirmed radiological contamination at these sites; their "radiologically impacted" designation means that the Navy, in consultation with the State of California regulators, concluded that the area requires further investigation. Buildings 343 and 344 were investigated in 2008 and were confirmed to be acceptable for unrestricted reuse by the California Department of Public Health and DTSC. The Navy is currently planning an investigation of Lot 69 and Building 342 for the summer of 2015.



Figure 4. Site 24 Features

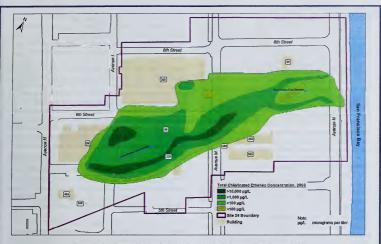


Figure 5. Pre-Treatability Study Chlorinated Ethenes Groundwater Plume (2003)



Figure 6. Post-Treatability Study Chlorinated Ethenes Groundwater Plume (2012)

SUMMARY OF SITE RISKS

Risk is the likelihood or probability that a hazardous chemical, when released to the environment, will cause effects (such as cancer or other illnesses) on exposed humans or wildlife. The most common ways that people may be exposed to contamination, such as breathing dust containing contaminants from soil, are referred to as exposure pathways. The Navy evaluated the risk to humans and wildlife from exposure to contaminated soil, groundwater, and soil gas. All hazardous chemicals identified at Site 24, regardless of their concentration, were included in the risk calculations. Radioisotopes could not be evaluated in the risk assessments because, to date, no radiological contamination has been found at Site 24. The risk assessment results are summarized below

Human Health Risk Assessment

The Navy considered the various ways that humans might be exposed to chemicals, the possible concentrations of chemicals that could be encountered during exposure, and the potential frequency and duration of exposure. Table 1 includes exposure pathways and human receptors (e.g., construction worker, resident, etc.) considered in the baseline human health risk assessment (HHRA). The HHRA used concentrations of VOCs at Site 24 before the treatability study was implemented which reduced the VOC concentrations.

Baseline HHRAs follow an established process recognized by the EPA, DTSC, and other regulatory agencies. This process includes: evaluating soil, soil gas, and groundwater data to quantify concentrations of chemicals in these media; determining exposure scenarios and exposure pathways to these chemicals; classifying their toxicity; and estimating intake rates. Exposure to toxic chemicals may cause cancer (cancer risk) or may have other adverse health effects (noncancer hazard).

Cancer risks are calculated in terms of the number of cancer cases that may result within a given population. Cancer risk is the estimated probability that a person will develop cancer from exposure to site contaminants and is generally expressed as a probability. For example, a 1 in 10,000 chance is a risk that for every 10,000 people, one additional cancer case may occur as a result of exposure to site contaminants. EPA considers risks less than 1 in 1,000,000 to be acceptable. Risks greater than 1 in 10,000 are generally not acceptable and require remedial action.

Noncancer risks assessed in HHRAs are expressed as a number called the hazard index (HI). An HI value of 1 or less indicates that adverse noncancer human health effects are not expected to occur. An HI greater than 1 indicates that further evaluation or remedial action is required.

Table 1 provides a summary of the risk calculations in the Site 24 HHRA. Based on the risk assessment results for soil, groundwater and soil gas, cancer risks greater than 1 in 1,000,000 and noncancer risks with an HI greater than 1 were identified for potential future residents. commercial workers, and construction workers. The calculated risks resulted from potential exposure to VOCs (specifically chlorinated ethenes described above) by either inhalation of contaminants in vapor or dermal contact with contaminants in groundwater.

Receptor ¹	Cancer Risk	Hazard Index
Current Receptor		
Current Commercial/Industrial Worker – Direct Exposure to Unpaved Soil (0 to 2 feet bgs) and Indoor Air Vapor Intrusion ²	4 in 10,000,000	0.05
Future Receptor		
Future Commercial/Industrial Worker – Direct Exposure to Soil (0 to 2 feet bgs, 0 feet bgs to groundwater) and Indoor Air Vapor Intrusion ²	9 in 100,000	1
Future Construction Worker – Direct Exposure to Soil (0 feet bgs to groundwater), Groundwater, and Trench Vapors ³	3 in 10,000	30
Future Resident – Direct Exposure to Soil (0 to 2 feet bgs, 0 feet bgs to groundwater) and Indoor Air Vapor Intrusion ²	9 in 10,000	20

Notes:

Summary of human health risk assessment (HHRA) conducted during the Site 24 2008 RI/FFS using pre-treatability study data.

- Receptors include those expected under reasonably anticipated future land use consistent with EPA's land use directive. Indoor air vapor intrusion from groundwater and site-wide combined surface and subsurface soil (0 feet bgs to groundwater)
- Vapors from VOCs in groundwater under a trench exposure scenario.
- bgs Below ground surface
 EPA U.S. Environmental Protection Agency
 RI/FFS Remedial Investigation/Focused Feasibility Study
- VOC Volatile Organic Compounds

Ecological Risk Assessment

The Navy performed an Ecological Risk Assessment (ERA) to evaluate risks for wildlife. The ERA was done in two stages. A screening level ERA was completed for several sites at Treasure Island, including Site 24, which concluded that the industrial setting and managed habitat were inadequate to support healthy terrestrial wildlife populations.

A subsequent baseline ERA evaluated transport of groundwater contamination at Site 24 to determine if contaminants could reach the San Francisco Bay and potentially harm aquatic species. The baseline ERA determined that chemicals in groundwater at Site 24 do not pose an unacceptable risk to benthic invertebrates or other aquatic species offshore.

REMEDIAL ACTION OBJECTIVES AND **CLEANUP GOALS**

As part of the 2014 FFSA, RAOs were developed to identify and screen remedial alternatives that protect human health and the environment, and are in alignment with reasonably anticipated land use consistent with the EPA's land use directive for CERCLA remedy selection. RAOs are media-specific (such as soil or groundwater) goals for protecting human health and the environment, and provide the foundation for developing remedial alternatives. The RAOs are intended to be protective of future residents, commercial workers, and construction workers. RAOs were developed for soil

gas and groundwater chemicals of concern (COC), and for radioisotopes of concern (ROC) in soil and structures. The RAOs are as follows:

- Prevent or minimize exposure of future residents and future commercial workers to COCs in soil gas at concentrations that would pose an unacceptable risk via indoor inhalation of vapors.
- Prevent or minimize exposure of construction workers to COCs in groundwater at concentrations that would pose an unacceptable risk via dermal exposure or inhalation of trench vapors.
- Prevent or minimize potential for volatile COCs in soil source zones to migrate at concentrations that pose an unacceptable risk to future residents and future commercial workers via indoor inhalation of
- If radiological contamination is present, prevent human exposure to ROCs at radioactivity levels that exceed free release criteria for all potentially complete exposure pathways, including external exposure to radiation, and ingestion and inhalation of soil at radiologically impacted sites.

The RAOs are used to develop cleanup goals and other criteria for receptors exposed to contaminants. Table 2 presents a complete list of COCs, ROCs, and cleanup goals developed for Site 24. These cleanup goals will be

Picocurie per gram

Trichloroethene

Vinyl chloride

Radioisotope of concern

Radium

Ra

ROC

TCE

Table 2. Site 24 Clear	ap oomo				
Receptor	COC/ROC	Soil Gas Cleanup Goals (µg/m³)	Groundwater Cleanup Goals (µg/L)	Radioisotope Surface Release Criterion (dpm/100 cm²)	Radioisotope Soil and Sediment Release Criterion (pCi/g)
Future Land Use					
Commercial/Industrial	cis-1,2-DCE	209,217	-	-	-
Worker	PCE	2,862			
	TCE	3,970	-	-	-
	VC	188	-		-
Construction Worker	cis-1,2-DCE	-	230	_	-
	PCE	_	210	-	-
	TCE	-	42	-	-
	VC	_	15	-	-
Resident (Adult and	cis-1,2-DCE	46,408	-	-	-
Child)	PCE	533	-	-	-
	TCE	615	-		-
	VC	31	-	-	-
All	Ra-226			100	1.0 above background
All	Cs-137	-	-	5,000	NA

COC Chemical of concern PCE

Microgram per liter

Not applicable

Square centimeter

Microgram per cubic meter

µg/L

cm²

μg/m³

Disintegrations per minute Tetrachloroethene

Cesium

Dichloroethene

Not Available

DCE

dpm

NA

used to measure the achievement of RAOs during the remedial action at Site 24. Once the RAOs are achieved, the remedial action will be considered complete, and a Remedial Action Completion Report will be presented to the regulatory agencies for concurrence.

SUMMARY OF REMEDIAL ALTERNATIVES

The Navy, in consultation with regulatory agencies, developed a range of alternatives in the FFSA to address contamination at Site 24. The alternatives included a combination of various remediation strategies, including the following:

- Excavation: the removal of soil containing a source of contamination.
- Engineering controls (EC): a variety of engineered and constructed barriers to contain or prevent exposure to contamination.
- 1C: legal and administrative documents and processes put in place to limit exposure to contamination.
- In-situ chemical reduction (ISCR) using zerovalent iron (ZVI): the injection of ZVI in groundwater, which stimulates chemical reactions that can degrade chlorinated ethenes to non-toxic products.
- ISB: adding amendments, such as nutrients, and/or dechlorinating bacteria into groundwater to promote the breakdown of contaminants to non-toxic compounds, as was done in the treatability study.
- Air sparging (AS): involves the injection of air into the groundwater and soil to volatilize contaminants, and collect the contaminants for treatment and disposal.
- Soil vapor extraction (SVE): actively extracts vapors through wells using a vacuum.

Each of the chemical and radiological remedial alternatives that are considered in the FFSA and their estimated costs are described in Table 3 on page 9.

Remedial Alternatives for COCs

The following eight chemical remedial alternatives, including the preferred alternative shown in bold underline, were developed in the FFSA to address potentially unacceptable risk to human receptors:

- Alternative 1: No Action
- · Alternative 2: Vapor Barriers, ICs, and Monitoring
 - Alternative 3: Clay Cap at Source Area; ICs; ZVI/ ISB Treatment of Groundwater; and Monitoring
- Alternative 4: Soil Excavation at Source Area;
 ZVI/ISB Treatment of Groundwater; and
 Monitoring
- Alternative 5: SVE at Source Area; ZVI/ISB Treatment of Groundwater; and Monitoring
- Alternative 6: SVE at Source Area; AS/SVE Treatment of Groundwater; and Monitoring
- Alternative 7: Soil Excavation at Source Area; ZVI/ ISB Treatment of Source Area Groundwater; AS/ SVE Treatment of Downgradient Groundwater; and Monitoring
- Alternative 8: Soil Excavation at Source Area; ISB Treatment of Groundwater; and Monitoring

With the exception of the no action alternative, all of the alternatives will achieve RAOs.

Remedial Alternatives for Potential Radiological Contamination

The Navy's intent is to achieve unrestricted release of radiologically impacted sites at Site 24 with no radiological related notices, restriction, or covenants required. Because risk potentially posed by radioisotopes is unknown at this time, the Navy presents only two radiological remedial alternatives, with the preferred alternative shown in bold underline:

- · Alternative R-1: No Action
- Alternative R-2: Survey, Decontamination, Disposal, and Release

Table 3. Summary of Ren	nedial Altern	natives			
Remedial Alternative (Number and Description	Cost ¹	Components of Remedial Alternatives			
		Chemical			
1 No Action	\$0	No actions or costs. This alternative is required by CERCLA as a baseline for comparison with other alternatives. Under this alternative, no further remediation would be performed.			
2 Vapor Barriers, ICs, and Monitoring	\$1.143M	Alternative 2 uses a combination of ECs and ICs to prevent vapor intrusion exposure to chemicals at Site 24 in the event that occupied buildings are constructed on site. ICs would require that all future construction within 100 feet of a VOC source area would include vapor intrusion mitigation appropriate to the level of soil gas contamination measured at the time of construction. Alternative 2 includes groundwater and soil gas monitoring to evaluate the need for vapor intrusion mitigation and any operational soil gas monitoring that might be needed to assess the protectiveness of mitigation system.			
3 Clay Cap at Source Area, ICs, ZVI/ISB Treatment of Groundwater, and Monitoring	\$1.755M	Alternative 3 includes installation of a clay cap across a portion of the footprint of Building 99 and ICs on the property to restrict site activities that would breach the cap integrity. Alternative 3 includes VOC plume treatment by applying a ZVI product to promote ISCR and enhancing ISB by applying a nutrient substrate for dechlorinating bacteria. Alternative 3 also includes groundwater and soil gas monitoring.			
4 Soil Excavation at Source Area, ZVI/ISB Treatment of Groundwater, and Monitoring	\$1.992M	Alternative 4 includes the excavation of soil and offsite disposal, in-situ ZVI/ISB treatment of remaining VOC groundwater plumes, and groundwater and soil gas monitoring. The soil beneath and adjacent to Building 99 would be excavaled based on the potential for soil being an ongoing source of PCE and TCE to groundwater.			
5 SVE at Source Area, ZVI/ISB Treatment of Groundwater, and Monitoring	\$1.982M	Alternative 5 includes in-situ SVE treatment of unsaturated soil in the source area, in-situ ZVI/ ISB treatment of remaining VOC groundwater plumes, and groundwater and soil gas monitoring. SVE would treat unsaturated soil beneath and adjacent to Building 99 based on the potential for soil being an ongoing source of PCE to groundwater.			
6 SVE at Source Area, AS/SVE Treatment of Groundwater, and Monitoring	\$3.957M	Alternative 6 includes in-situ SVE treatment of unsaturated soil in the source area, in-situ AS/ SVE treatment of remaining groundwater plumes, and groundwater and soil gas monitoring. SVE would treat unsaturated soil located beneath and adjacent to Bulkling 99 based on the potential for soil being an ongoing source of PCE to groundwater. In-situ groundwater treatment would include a combination of AS and SVE to actively extract VOVdes.			
7 Soil Excavation at Source Area, ZVI/ISB Treatment of Source Area Groundwater, AS/ SVE Treatment of Downgradient Groundwater, and Monitoning	\$3.894M	Alternative 7 includes the excavation of source area soil, in-situ treatment of remaining VOC groundwater plumes, and groundwater and soil gas monitoring. The source area soil beneath and adjacent to Bullding 99 would be excavated based on the potential for soil being an ongoing source of PCE to groundwater. In-situ groundwater treatment would include: (1) treatment of the source area plume by in-situ ZVI/ISB; and (2) treatment of the downgradient VOC groundwater plumes with AS/SVE.			
8 Soil Excavation at Source Area, ISB Treatment of Groundwater, and Monitoring	\$1.518M	Alternative 8 includes the excavation of soil, in-situ ISB treatment of remaining VOC groundwater plumes, and groundwater and soil gas monitoring. In-situ groundwater treatment would only include enhancement of ISB by applying a nutrient substrate for dechlorinating bacteria.			
		Radiological			
R-1	\$0	No actions or costs. This alternative is required by CERCLA as a baseline for comparison with other alternatives. Under this alternative, no remedial activities would be undertaken.			
R-2 ICs and Groundwater Monitoring	ICs and Groundwater \$0.602M ² Building 342 yard area, and Lot 69. If the scoping/characterization surveys identify ROC				
Notes: The preferred alternative Costs are in millions of Cost includes only scop	dollars.	by blue shading. stion surveys due to the speculative nature of decontamination, excavation, and disposal components.			
AS Air sparging CERCLA Comprehensive Enviror Compensation, and Lial EC Engineering Control IC Institutional Control		se, ISCR In-situ chemical reduction SVE Soil Vapor Extraction Tick Trichbroethene M Million VOC Volatile organic compound PCE Tetrachloroethene ZVI Zero-valent iron			

EVALUATION OF REMEDIAL ALTERNATIVES

The chemical and radiological remedial alternatives represent a range of remediation strategies that fulfill the RAOs. The alternatives were evaluated using the criteria specified by federal regulations in the NCP criteria listed in Figure 7. The eight chemical remedial alternatives are evaluated against the first seven NCP criteria in the following remedial alternatives comparison analysis and summarized in Table 4 on page 11. The two radiological remedial alternatives are evaluated in the discussion below and summarized in Table 5 on page 11.

The last two NCP criteria, state regulatory acceptance and public acceptance, will be addressed through regulatory agency review and the public comment period. The Navy will make the final decision on the remedy for Site 24 after regulatory agency and public input has been received and evaluated.

1. OVERALL PROTECTION OF HUMAN HEALTH AND THE ENVIRONMENT

The no action Alternative 1 and radiological Alternative R-1 do not address any risks at the Site and do not provide protection to human health or the environment. The remaining alternatives (Alternatives 2, 3, 4, 5, 6, 7, 8, and R-2) protect human health and the environment under reasonably anticipated future land uses at Site 24.

2. COMPLIANCE WITH APPLICABLE OR RELEVANT AND APPROPRIATE REQUIREMENTS

Applicable or relevant and appropriate requirements (ARAR) are federal or more stringent state environmental standards, requirements, criteria, or limitations that need to be attained by final remedial actions. There are no ARARs associated with chemical Alternative 1 or radiological Alternative R-1. The remaining chemical alternatives (Alternatives 2, 3, 4, 5, 6, 7, and 8) and radiological Alternative R-2 comply with ARARs.

3. LONG-TERM EFFECTIVENESS AND PERMANENCE

Alternative 1 is not acceptable because it does not provide any degree of long-term effectiveness. Similarly, radiological Alternative R-1 does not provide long-term effectiveness and is not acceptable. Alternatives 2 through 8 would provide long-term effectiveness in meeting the RAOs. Alternative 2 is rated very effective because the exposure pathway would be eliminated, but adequacy and reliability depend on proper installation of vapor barriers and long -term monitoring (LTM). Alternative 3 is rated as moderately effective because risk is reduced by capping the source area and cleanup of groundwater, but ICs are needed to ensure integrity of the cap. Alternatives 4, 7, and 8 are rated as highly effective because risk is

reduced by cleanup, with no ICs required. Alternatives 5 and 6 are rated as very effective because risk is reduced by cleanup, with no ICs required, but the effectiveness of SVE below Building 99 may be limited. Radiological Alternative R-2 is highly effective because ROCs would be removed and free release criteria would be achieved.

4. REDUCTION OF TOXICITY, MOBILITY, AND VOLUME

Alternatives 1 and 2 are rated as not effective because they do not reduce mobility, toxicity, or volume through treatment. Alternative 3 is rated moderately effective because it would reduce the toxicity and volume of chemicals through treatment, and mobility would be addressed by a clay cap. Alternatives 4, 7, and 8 are rated very effective because they would reduce the toxicity and volume of COCs through treatment, and mobility would be addressed by soil excavation. Alternatives 5 and 6 are rated highly effective because they would reduce the toxicity, mobility, and volume through treatment. Both radiological Alternatives R-1 and R-2 are not effective since neither involves reducing toxicity, mobility, or volume of ROCs through treatment.



Table 4. Chemical Remedial Alternatives Comparative Analysis

	Alternative 1	Alternative 2	Alternative 3	Alternative 4	Alternative 5	Alternative 6	Alternative 7	Alternative 8
Alternative Description	No Action	Vapor Barriers, ICs, Monitoring	Clay Cap, ICs, ZVVISB, Monitoring	Excavation, ZVI/ISB, Monitoring	Soll SVE, ZVI/ISB, Monitoring	Soll SVE, AS/SVE, Monitoring	Excavation, ZVI/ISB, AS/SVE, Monitoring	Excavation, ISB, Monitoring
Overall Protectiveness	0				•			
ARARs Compliance	0							
Long-term Effectiveness	0	•	•		•	•	•	
Reduction of T, M, V	0	0	•	•				
Short-term Effectiveness			•	•	•	0	•	•
Implementability		•	0	G . (0	\oplus	0	•
Cost	\$0	\$1,143,000	\$1,755,000	\$1,992,000	\$1,982,000	\$3,957,000	\$3,894,000	\$1,518,000
Rank ¹	8	3	5	1	4	7	6	2

Not effective

Very effective

Slightly effective

Moderately effective

Rank is the relative order of alternatives based on overall effectiveness for all criteria.

SVE

SVE

AS Air sparge SVE

ARAR Applicable or relevant and appropriate requirements

iC Institutional control

SVE Soil vapor extraction
T, M, V Toxicity, mobility, or volume

ZVI Zero-valent iron

SB In situ biore mediation

Table 5. Radiological Remedial Alternatives Comparative Analysis

	Alternative R-1	Alternative R-2
Alternative Description	No Action	Survey, Decontamination, Disposal, and Release
Overall Protectiveness	0	
ARARs Compliance	0	
Long-term Effectiveness	0	
Reduction of T, M, V	0	0
Short-term Effectiveness		
Implementability		•
Cost	\$0	\$602,000
Rank ¹	2	
Key	Not effective	Very effective
lacktriangle	Slightly effective	Highly effect

Moderately effective

1. Rank is the relative order of alternatives based on overall effectiveness for all criteria.

ARAR Applicable or relevant and appropriate requirements

T, M, V Toxicity, mobility, or volume

5. SHORT-TERM EFFECTIVENESS

Alternative 1 (as well as radiological Alternative R-1) is rated highly effective, as there would be no short-term risk and no environmental footprint. Alternative 2 is rated highly effective, as there would be no risk to the community and minimal risk to construction workers from installation of vapor barriers, minimal risks to the community and workers from periodic monitoring, and the lowest environmental footprint. Monitoring would be conducted for approximately 30 years. Alternative 3 is rated very effective, as there would be no risk to the community and minimal risk to workers during treatment system installation and capping. treatment system would be installed in six months, and monitoring would be conducted for five years or less. Alternative 4 is rated very effective, as there would be no risk to the community and moderate risk to workers during treatment system installation, soil excavation, and monitoring. The treatment system would be installed in six months, and monitoring would be conducted for five years or less. Alternative 5 is rated moderately effective, as there would be no risk to the community and moderate risk to workers during treatment system installation and monitoring. treatment system would be installed in six to nine months, and monitoring would be conducted for six vears. Alternative 6 is rated slightly effective, as there would be no risk to the community and moderate risk to workers during treatment system installation and monitoring. The treatment system would be installed in six to nine months, and monitoring would be conducted for nine years. Alternative 7 is rated slightly effective, as there would be no risk to the community and moderate risk to workers during treatment system installation, soil excavation, and monitoring. treatment system would be installed in six to nine months, and monitoring would be conducted for nine years. Alternative 8 is rated very effective, as there would be no risk to the community and moderate risk to workers during treatment system installation, soil excavation, and monitoring. The treatment system would be installed in three months, and monitoring would be conducted in five years or less. Radiological Alternative R-2 is highly effective, as there would be no risk to the community and moderate risk to workers during survey, decontamination, and disposal.

6. IMPLEMENTABILITY

Alternative 1 is rated implementable only because it does not involve any construction or monitoring, and therefore is the easiest to implement. Radiological Alternative R-1 is rated implementable for the same reason. Alternative 2 is highly effective because installation of vapor barriers and vapor collection systems would be readily implemented as a component of new building construction and would not be a

hindrance to construction. Alternatives 4 and 8 are very implementable, since the soil remediation component for each alternative is straight forward and easily accomplished. The groundwater remediation component for these two alternatives is similar in terms of implementability. Alternatives 3, 5, and 7 are moderately effective because they require the most infrastructure and longer time to achieve cleanup goals. Alternative 6 is rated below these alternatives as slightly effective because it could take even longer to achieve cleanup goals, since ZVVISB groundwater treatment is not included. Radiological Alternative R-2 is moderately effective because decontamination and disposal of contamination from radiologically impacted sites would require special handling and disposal.

7. Cost

No costs are associated with Alternative 1 or radiological Alternative R-1. Alternative 2 would incur the second lowest cost because it would only include vapor barriers, ICs, and monitoring. Alternatives 3, 4, 5, and 8 would incur moderate costs. Alternatives 6 and 7 would incur higher costs because they both include AS/SVE treatment. Radiological Alternative R-2 cost is low as decontamination, excavation, and disposal components are not included, since it is not known if these actions will be required.

8. REGULATORY ACCEPTANCE

Regulatory acceptance of the Navy's preferred chemical and radiological remedial alternative combination will be evaluated after regulatory agency comments are received and addressed through a responsiveness summary that will be attached to the ROD/Final RAP for Site 24.

9. COMMUNITY ACCEPTANCE

Community acceptance of the Navy's preferred chemical and radiological remedial alternative combination will be evaluated after public comments are received at the public meeting and during the public comment period. Comments received from the public will be addressed in a responsiveness summary that will be part of the ROD/Final RAP for Site 24.

SUMMARY OF THE PREFERRED ALTERNATIVES FOR SOIL AND GROUNDWATER

The Navy's preferred chemical remedial alternative is Alternative 4: Soil Excavation at Source Area, ZVI/ ISB Treatment of Groundwater, and Monitoring. which is shown in Figure 8. Figure 9 on page 14 shows a conceptual view of this proposed remedy. The Navy estimates that approximately 1.125 cubic vards of soil beneath and adjacent to Building 99 will be removed. Excavation would be followed by groundwater treatment with a combination of ISCR with a ZVI product and enhanced ISB by adding nutrients to stimulate the natural breakdown of VOCs by dechlorinating bacteria. Groundwater and soil gas monitoring would be conducted to verify and optimize success of ZVI/ISB groundwater treatment and to determine when cleanup goals are met. Although Alternative 4 costs more than Alternative 8, Alternative 4 is likely to reach cleanup goals more quickly than Alternative 8. The timeframe for meeting cleanup goals is an important consideration for redevelopment of Site 24.

These remedial actions are anticipated to meet cleanup goals presented in Table 2 on page 7 and achieve unrestricted reuse of the site. However, if cleanup goals are not met prior to redevelopment of the property, ICs will be implemented to restrict the property use.

The preferred radiological alternative is <u>Alternative R-2: Survey. Decontamination.</u> Disposal, and <u>Release.</u> Alternative R-2 involves conducting scoping characterization surveys at each of the radiologically impacted sites at Site 24. If ROC contamination is found during the investigation of Lot 69 and Building 342 and associated areas, Alternative R-2 would include ROC contaminant removal and disposal to meet unrestricted release criteria



Figure 8. Alternative 4: Excavation, ZVI/ISB, and Monitoring

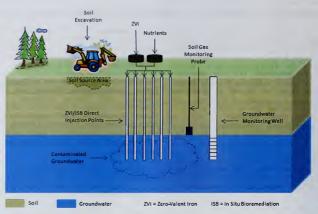


Figure 9. Conceptual View of Alternative 4: Excavation, ZVI/ISB, and Monitoring

REGULATORY SUMMARY

California Health and Safety Code

This document meets applicable requirements of the Health and Safety Code (HSC) Section 25356.1 for hazardous substance release sites. The HSC requires preparation of a RAP for sites that are not listed on the National Priorities List (NPL), such as Treasure Island. Therefore, this document also serves as a Draft RAP to fulfill the public notice and comment requirements of the HSC. The Final RAP is the HSC equivalent of the ROD for this Site. The CERCLA and California HSC Process (including the current phase) is shown in Figure 2.

California Environmental Quality Act

In compliance with the California Environmental Quality Act, DTSC has prepared an Initial Study to evaluate potential impact of the proposed project on the environment. The findings of the Initial Study indicate that the project would not have a significant effect on public health or the environment. Therefore, DTSC has prepared a proposed Negative Declaration for the Site 24 cleanup. Both the Initial Study and proposed Negative Declaration are available for review and comment during the public comment period at the two information repositories listed on page 18 and the DTSC File Room (located at 700 Heinz Avenue, Berkeley, California 94710; please call for an appointment at 510-540-3800).

THE NEXT STEP

After the comment period has ended, the Navy and the regulatory agencies will review and consider the comments received on this Proposed Plan/Draft RAP before making a final decision for Site 24. The final decision will be documented in a ROD/Final RAP, which will include a responsiveness summary for all comments received on this Proposed Plan/Draft RAP. A public notice will be placed in the San Francisco Examiner announcing when the Site 24 ROD/Final RAP will be available to the public in the information repositories listed on page 18.

OPPORTUNITIES FOR COMMUNITY PARTICIPATION

Community involvement is essential to selecting remedial alternatives and we encourage you to provide comments. The 30-day public comment period for the Proposed Plan/Draft RAP is February 23, 2015 through March 24, 2015.

COMMENTS

There are two ways to provide comments during this period:

- 1. Offer oral comments during the public meeting (March 11, 2015)
- 2. Provide written comments in person, by mail, e-mail, or fax (no later than March 24, 2015)

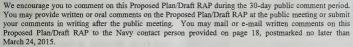
Public Meeting March 11, 2015—6:30 p.m. to 8:00 p.m.

Casa de la Vista. 191 Avenue of the Palms. Treasure Island. California



You are invited to this public meeting to discuss the information presented in this Proposed Plan/Draft RAP for Site 24. Navy representatives will provide information on the environmental investigations conducted for Site 24. You will have an opportunity to ask questions and formally comment on the Navy's preferred chemical and radiological remedial alternatives at Site 24 as presented in this Proposed Plan/Draft RAP.

Submit Comments



GLOSSARY OF TERMS

Air Sparging (AS): An in-place remediation technology that injects air (or oxygen) into groundwater and soil to increase the volatilization of contaminants.

Applicable or Relevant and Appropriate Requirements (ARAR): Federal or more stringent state environmental standards, requirements, criteria, or limitations that need to be attained by final remedial actions for a CERCLA site.

Cancer Risk: The probability that an individual will develop cancer over a 70-year lifetime as a direct result of exposure to contaminants.

Chemicals of Concern (COC): Chemicals identified as potentially posing an unacceptable risk through an evaluation called a site-specific human health risk assessment.

Chlorinated Ethenes: Chlorinated ethenes is a collective term that includes PCE, TCE, DCE, and VC in Site 24 groundwater. It can be expressed as the sum of the individual concentrations of these contaminants.

Cleanup Goals: Media-specific cleanup goals for a selected remedial action. Remediation efforts would be considered complete and no further action would be necessary when the cleanup goals have been attained.

Cleanup goals have been established at Site 24 for soil gas, groundwater, and ROC

Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA): A federal law that sets up a program to identify hazardous waste sites and establishes procedures for cleaning up sites to protect human health and the environment. The Navy implements its IR Program at hazardous waste sites to meet the requirements of CERCLA.

Dechlorinating bacteria: Dechlorinating bacteria are naturally occurring bacteria that have been shown to break down (dechlorinate) chemicals such as PCE, TCE, and DCE to simpler compounds as a part of their digestive process.

Dichloroethene (DCE): DCE is a breakdown product of PCE and TCE. The natural reduction of PCE is the most likely the source of DCE in groundwater at Site 24.

Ecological Risk Assessment (ERA): ERA is a regulatory process to evaluate risk to ecological receptors (plants and wildlife, including land animals and aquatic animals) for chemicals in the environment. ERA typically begins with a screening level risk assessment which is based on published screening criteria, and proceeds to more detailed ERA steps if warranted.

Engineering Controls (EC): ECs are a variety of engineered and constructed barriers (e.g., soil, asphalt or concrete capping, subsurface venting systems, vapor barriers, fences) to contain or prevent exposure to contamination on a property.

Environmental Footprint: Environmental footprint refers to the sustainability metrics of the remedial alternatives evaluated under the short-term effectiveness criterion, including energy consumption, greenhouse gas emissions, air emissions of criteria pollutants, water impacts, ecological impacts, resource consumption, and worker safety.

Ethene: Ethene is a non-toxic, typically gaseous, hydrocarbon compound. PCE, TCE, DCE, and VC can eventually break down to ethene.

Exposure Pathways: The ways that humans, animals, and plants may come in contact with a chemical, such as by touching, breathing, or ingesting it.

Focused Feasibility Study Addendum (FFSA): The FFSA conducted in 2014: (1) summarized the current site conditions with regard to VOC concentrations in soil, groundwater, and soil gas and potential radiological issues; (2) summarized new information since the 2008 RI/FFS; and (3) developed and evaluated remedial alternatives that address both the chemical and radiological conditions at Site 24.

Free Release: Free release, also referred to as unrestricted release or unrestricted use, designates the release of a site, area, or structure from regulatory control without requirements for future radiological restrictions.

Groundwater: Water below the ground surface in rock or sediment.

Hazard Index (HI): A calculated value used to represent a potential noncancer health effect. An HI value of 1 or less is considered protective of human health.

Historical Radiological Assessment (HRA): The HRA performed in 2006 summarized the review completed by the Navy to evaluate potential residual radiological contamination from the use of radioactive materials at former NAVSTA Treasure Island and the identification of radiologically impacted sites at Treasure Island.

Historical Radiological Assessment Supplemental Technical Memorandum (HRASTM): The HRASTM documented findings of additional research of historical radiological operations and radioactive waste disposal that may have occurred during Navy operations at Treasure Island.

Human Health Risk Assessment (HHRA): An analysis of the potential negative impacts to human health caused by exposure to hazardous substances released from a site.

In-Sitn Bioremediation (ISB): Technologies that treat groundwater or soil contamination through placement or injection of amendments (such as a nutrient substrate) and/or specialized bacteria in the subsurface to induce or enhance natural biodegradation of contaminants.

In-Situ Chemical Reduction (ISCR): ISCR involves the injection of a chemical agent in the subsurface to stimulate reactions that degrade chlorinated ethenes to simpler compounds and eventually to non-toxic products.

Installation Restoration (IR) Program: The program initiated by the Department of Defense, in compliance with CERCLA (see above), to identify, investigate, assess, characterize, clean up, or control past releases of hazardous substances.

Institutional Controls (IC): Legal and administrative documents and processes established to limit human exposure to contaminated waste, soil, or groundwater. These mechanisms may include deed restrictions, covenants, easements, laws, and regulations.

Long-Term Monitoring (LTM): LTM refers to monitoring of groundwater or soil gas, including sampling and chemical analysis. LTM evaluates changes in site contaminant concentrations, and monitors for potential migration of these contaminants in site groundwater or soil gas over time.

National Oil and Hazardous Substances Pollution Contingency Plan (NCP): The federal regulatory basis for government responses to oil and hazardous substances spills, releases, and sites where these materials have been released.

Noncancer Hazard: Likelihood or probability that a hazardous substance released to the environment will cause adverse effects (other than cancer) on exposed humans.

PCE: See tetrachloroethene.

Proposed Plan/Draft Remedial Action Plan (Proposed Plan/Draft RAP): A document that reviews the remedial alternatives presented in the FS (see RI/FFS below), summarizes the recommended remedial action, explains the reasons for recommending the action, and solicits comments from the public. The RAP is required under HSC Section 25356.1 for sites that are not listed on the NPL, such as Treasure Island. A Draft RAP is the California HSC equivalent of the Proposed Plan.

Radioisotopes of Concern (ROC): A radioisotope is an atom with an unstable nucleus that undergoes radioactive decay by emitting alpha, beta, or gamma radiation. Radioisotopes occur naturally or can be manade. The HRA and HRASTM identified radium-226 and cesium-137 as ROCs at Site 24 based on their historic use at former NAVSTA Treasure Island and past operations at areas within Site 24 that could have potentially involved them.

Radiologically Impacted Sites: Areas that, because of past use or storage of radiological materials, require a radiological assessment before being released for reuse. Until radiological surveys are completed, it remains unknown whether radiological releases occurred at these areas.

Receptors: Humans, animals, and plants that may be exposed to site contaminants.

Record of Decision (ROD)/Final RAP: A decision document identifying the remedial alternatives chosen for implementation at a CERCLA site. The ROD/Final RAP is based on information from the RI/FS (see RI/FFS below) and on public comments and community concerns. A Final RAP is the California HSC equivalent of the ROD.

Remedial Action Objectives (RAO): A description of remediation goals for each medium of concern at a site (for example, soil or groundwater), expressed in terms of the contaminants of concern, target cleanup levels, and exposure pathways and receptors. Cleanup goals form the basis for RAOs by providing contaminant-specific concentrations that are protective under a given exposure scenario.

Remedial Design (RD): The RD is a step in the CERCLA process (Figure 2) following the ROD/Final RAP that provides the detailed description and plan to implement the final site remedy.

Remedial Investigation/Focused Feasibility Study (RI/FFS): The RI identifies the nature and extent of potential contaminants at a site and assesses human health and environmental risks. A FS is a study that identifies and evaluates remedial technologies for a site based on effectiveness, availability, cost, and other criteria. A FFS, as was conducted for Site 24, evaluates a limited number of alternatives. Risk: Likelihood or probability that a hazardous substance released to the environment will cause adverse effects on exposed humans or other biological receptors. Risk calculations incorporate very conservative assumptions. Adverse health effects can be classified as carcinogenic (cancer-causing) or non-carcinogenic. Risk from cancer is expressed as a probability such as 1 in 1,000,000. This term means that one person in a population of 1,000,000 is more likely to get cancer over his or her lifetime. Noncancer risk is expressed as an HI (see above).

Soil Gas: Air present in soil pore spaces.

Soil Vapor Extraction (SVE): An in-place process for soil remediation where contamination is removed from soil under a vacuum. SVE is suitable for removing a variety of VOCs that have a high vapor pressure or a low boiling point compared with water.

Tetrachloroethene (PCE): PCE was a commonly used solvent for dry cleaning and other industrial purposes.

Treatment: Methods that reduce the toxicity, mobility, and volume of contaminated media, thereby reducing the chance of exposure to humans and the environment.

Trichloroethene (TCE): TCE was mainly used as an industrial solvent and as a dry cleaning agent before the 1950s but less commonly after that time when it was generally replaced by PCE. TCE is also a breakdown product of PCE, and this is most likely the source of TCE in groundwater at Site 24.

Vinyl Chloride (VC): VC is a breakdown product of PCE, TCE, and DCE. The natural reduction of PCE is the most likely the source of VC in groundwater at Site 24.

Volatile Organic Compounds (VOC): Organic chemical compounds that are man-made substances that tend to volatilize or evaporate from soil or water. These chemicals are commonly used as solvents, degreasers, and dry cleaning chemicals.

Zero-Valent Iron (ZVI): ZVI, or elemental metallic iron, is a mild reducing agent that has the ability to donate electrons to degrade chlorinated ethenes to simpler compounds and eventually to non-toxic compounds. It is commonly used as a stimulating agent for ISCR.

INFORMATION REPOSITORIES

Two information repositories and the administrative record provide public access to technical reports and other IR Program information that support this Proposed Plan/Draft RAP. The two information repositories are listed below.

San Francisco Public Library

Government Publications Section 100 Larkin Street, 5th Floor San Francisco, California 94102 Call for hours: (415) 557-4400

Navy BRAC Caretaker Support Office 1 Avenue of the Palms, Suite 161

Treasure Island
San Francisco, California 94130
Call for hours: (415) 743-4729

Navy Administrative Record File

ATTN: Diane Silva, Command Records Manager NAVFAC Southwest 1220 Pacific Highway Code EV33, NSDB Building 3519 San Diego, California 92132 (619) 556-1280 diane.silva@navy.mil

Administrative record file hours are Monday through Friday from 8:00 a.m. to 5:00 p.m. Documents may not be removed from the facility; however, they may be photocopied at requesters' expense. Please contact Ms. Silva to make an appointment.

Site 24 documents are available in the information repositories and administrative record locations listed above. Other information, such as meeting minutes and fact sheets related to Site 24, can be found on the Navy's website at www.bracpmo.navy.mil. Select "BRAC bases," then select "California". On the left-hand side, select "Former Naval Station Treasure Island." Site-related documents can also be viewed at DTSC's website at https://www.envirostor.dtsc.ca.gov/publie/. Enter "San Francisco" as the City, scroll down and select "Naval Station Treasure Island/Site 24-Dry Cleaning Facility" and click on the link "Activities" to view documents.

PROJECT CONTACTS

For more information on the environmental program at Treasure Island, the Proposed Plan/Draft RAP, or the Negative Declaration, please contact the following:

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Mr. Keith Forman
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Department of the Navy
BRAC Program Management Office West
1455 Frazee Road, Suite 900
San Diego, CA 92108
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keith.s.forman@navv.mil

Water Board Contact

Ms. Myriam Zech 1515 Clay Street, Suite 1400 Oakland, CA 94612 (510) 622-2445 myriam.zech@waterboards.ca.gov DTSC Contact
Ms. Remedios Sunga
700 Heinz Avenue
Berkeley, CA 94710
(510) 540-3840
remedios.sunga@dtsc.ca.gov

EPA Contact Ms. Nadia Hollan Burke 75 Hawthorne St. SFD-8-1 San Francisco, CA 94105-3901 (415) 972-3187 burke.nadiahollan@epa.gov



Nama

FORMER NAVAL STATION TREASURE ISLAND Installation Restoration Site 24 PUBLIC MEETING March 11, 2015 6:30 – 8:00 p.m.

Casa de la Vista, 191 Avenue of the Palms Treasure Island San Francisco. CA

Proposed Plan / Draft RAP — Comment Form

The public comment period for the Proposed Plan/Draft RAP for Installation Restoration Site 24 at the Former Naval Station Treasure Island, San Francisco, California, is from February 23 through March 24, 2015. You may provide oral comments at the public meeting listed above, where all comments will be recorded by a court reporter. Alternatively, you may provide written comments in the space provided below or on your own stationery. All written comments must be postmarked no later than March 24, 2015. After you complete your comments and your contact information, please mail this form to the address provided on the reverse side or submit this form to a Navy representative at the public meeting. Comments are also being accepted by e-mail and fax. Please address e-mail messages to Mr. Keith Forman at keith s.forman@nav.mil or fax to (619) 532-0983.

1141.710.				
Representing: (optional)				
Phone Number: (optional)				
Address: (optional)				
Please check the appropriate box if you would like to be added to or removed from the Navy's Environmental Mailing List for Treasure Island: Add me Remove me				
Comments				

postage

Mr. Keith Forman BRAC Environmental Coordinator Navy BRAC Program Management Office West 1455 Frazee Road, Suite 900 San Diego, CA 92108-4310







SAN FRANCISCO PUBLIC UTILITIES COMMISSION

525 GOLDEN GATE AVE 7™ FLOOR., SAN FRANCISCO, CA 94102 • TEL. (415) 554-1516



NOTICE OF PLANNED NATURAL GAS SERVICE INTERRUPTION

PUC will be installing new equipment and/or performing maintenance in your area. This will help us ensure reliable service to our customers. In order to safely perform the work, we will be temporarily interrupting your natural gas service. Although we will do our best to minimize the length of the service interruption, please be prepared to be without service on the following date (weather permitting) and for the estimated time indicated:

Date: Tuesday 2/24/15	Time: 8:00am-2:00pm

AFFECTED SERVICE AREAS:

All of Exposition, Mariner, Bayside, Northpoint and 1390, 1394, 1395, 1397, 1420, 1430 and 1440 Gateview Ave

It is important to note the following:

- If you are a landlord with tenant(s) in the area mentioned above and the SFPUC bill is in your name, it is your responsibility to notify the tenant(s) of the planned service interruption.
- Unsafe weather conditions or an unforescen emergency will force us to cancel the work at
 the last minute, and we will be unable to notify you of the cancellation. However, we will
 notify you of the rescheduled date and time.

We apologize for the inconvenience and thank you for your patience. If you have questions or concerns, please contact your housing provider.

Joe Carlevaris





SAN FRANCISCO PUBLIC UTILITIES COMMISSION

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Date: Thursday 2/26/15 Time: 8:00am-3:00pm

AFFECTED SERVICE AREAS:

All units, all residential buildings on Yerba Buena Road, Yerba Buena Island.

PLEASE NOTE:

Traffic Control will be in effect along YB Road during this time period. Please drive carefully.

It is important to note the following:

- If you are a landlord with tenant(s) in the area mentioned above and the SFPUC bill is in your name, it is your responsibility to notify the tenant(s) of the planned service interruption.
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San Francisco Public Utilities Commission.





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Date: Wednesday 3/4/15

Time: 7:00am-4:00pm

AFFECTED SERVICE AREAS:

1133 Mason Ct, 901 and 905 Ave B and 1301 through 1318 Gateview Ave

It is important to note the following:

- If you are a landlord with tenant(s) in the area mentioned above and the SFPUC bill is in your name, it is your responsibility to notify the tenant(s) of the planned service interruption.
- Unsafe weather conditions or an unforeseen emergency will force us to cancel the work at the last minute, and we will be unable to notify you of the cancellation. However, we will notify you of the rescheduled date and time.

We apologize for the inconvenience and thank you for your patience.

San Francisco Public Utilities Commission



Temporary Water Service Interruption



1215 Bayside Drive, All Units

The San Francisco Water Department will temporarily interrupt water service to all units at 1215 Bayside Drive on the below date and time in order to disconnect water service to the Bayside Drive vacant buildings scheduled for demolition by the Navy.

Monday March 2, 2015 From 10:00 AM to 12 Noon

We apologize for any inconvenience, please contact your property manager with any questions or concerns.



TREASURE ISLAND DEVELOPMENT AUTHORITY

Administration Building One Avenue of the Palms San Francisco, CA 94130

Phone: 415-274-0660 Fax: 415-274-0299 E-mail: TIDA@sfgov.org

Bob Beck, Treasure Island Director



San Francisco Department of Public Health

Treasure Island Nurse Intervention Clinic

at

Treasure Island Gymnasium 749 9th Street at Avenue M

Open every Tuesday and Friday from 2P to 6P. FREE OF CHARGE TO ISLAND RESIDENTS!

No insurance or co-pays required. No appointments necessary.







Services Available Include:

- . Flu Shots
- · Tb testing; Flu, Tdap vaccines
- · Education
- On-site, face-to-face consultations and advice
- More

- "On the Spot" Treatments for:
- · Common Cold
- · Aches and Pains
- · Viral Infections
- · Asthma & Allergies
- Rashes/Lice/Athletes Foot
- More
- Offering urgent but common low-acuity treatments, preventative care, advice, referrals, linkages to primary care and more!

ATTENTION!

San Francisco Department of Public Health

Treasure Island Nurse Intervention Clinic

We will be open on **Tuesdays** from 2-6P (**Not Wednesdays**) Starting the week of February 23rd

Open every Tuesday and Friday from 2P to 6P. FREE OF CHARGE TO ISLAND RESIDENTS!

COME AND MEET OUR NEW NURSE STUART!!!

Treasure Island Resident Survey - Wireless Internet Access

Help TIDA and the City's Dept. of Technology assess the recent improvements to the TI residential Outdoor WiFi Network by completing a brief survey at:

https://www.surveymonkey.com/s/TIResWiFi

Survey is open through March 29th.





Treasure Island Resident Survey - Wireless Internet Access

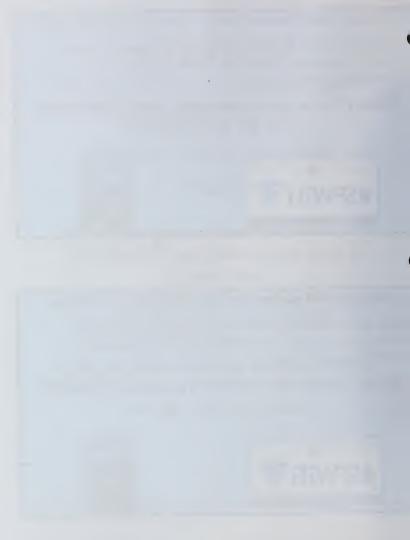
Help TIDA and the City's Dept. of Technology assess the recent improvements to the TI residential Outdoor WiFi Network by completing a brief survey at:

https://www.surveymonkey.com/s/TIResWiFi

Survey is open through March 29th.







Trecisure Islamid / Yerba Busema Islamid

Black History Month

A Special tribute to Maya Angelou, PhD

Events

February 13th 6:00 pm - 8:00 pm **Ship Shape**

The Swagettes Dance Group

Gospel Choir Forever Victory

Youth Activities and Music

Honoring Ashanti Dudley

February 27th 6:00 pm - 8:00 pm La Casa de la Vista

191 Avenue of the Palms

Forever Victory Choir

Spoken Word Performances

Motivational Speaker Van

Steel Pan Music

Celebratory Feast

NOTHING WILL WORK UNLESS YOU DO Maya Angelou



African-American History is America's History

This event is sponsored by: tholic Charities

Community Housing Partnership Treasure Island Community Swords to Plowshares Treasure Island Parent Council Treasure Island Homeless Development Initiative

For more information call: (415) 986-4810



Van Waller Motivational Speaker

Overcoming a serious skin condition and blindness, Val's story is inspiring.

Val Serrant Steel Pan / Drums



Celebrated internationally, Val Pan & Drum rhythms excite, soothe, as well as entertain. Treasure Island / Yerba Buena Black History Month Celebration February 27: 6-8pm Casa de la Vista

A special tribute to Maya Angelou, Ph. D

Culture

Δrt

Dinner

Treasure Island's Forever Victory Choir YMCA Youth Poets

Poet: Noel Guess

Bay Area fresh voice

Poet: Paradise



Paradise has been a spoken word powerhouse for more than twenty years.



FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Pance Pance Pance:

First Fridays are Family Dance Night at the Y!

Bring the whole family and join Anttwan at 7:00pm in the Yoga Studio.

Begins March 6th!







At MacAulay Park



(Larkin & O'Farrell)



- Food and Drink.
- Music
- Games.
- · Fire Trucks
- · And more

This month we'll be accompanied by the **San Francisco Fire Department** and we'll be collecting donations for the victims of the **642 Hyde Street** fire.

If you are in a financial position to do so, please consider donating as these funds will be split between several families. Here's the link: https://handup.org/members/familiesof642hydestfire

Adults are welcome with children or as a volunteer.

To volunteer, please



RSVP!

RSVP to Kelly Guajardo 415-775-7110x115 or kelly@thclinic.org

This event is sponsored by the SF Fire Department and the La Voz Latina.









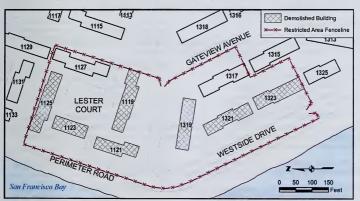
Notification of Asbestos Abatement and Building Demolition

February 2, 2015



On Wednesday, February 4, 2015, the Navy's contractor, CB&I, will recommence work at Westside Drive. Buildings 1125, 1121, 1119, 1319, and 1323 were previously demolished and the building debris hauled out to an offsite landfill. The upcoming work includes radiological scanning of building foundations, saw cutting, and breaking up of concrete. Once this is complete, soil excavation work will start. This notice gives information about the work planned and who you can contact for more information.

Buildings 1125, 1121, 1119, 1319, and 1329 were located along Perimeter Road and Westside Drive as shown on the map below. The buildings are currently within a fenced area and will remain fenced off to protect residents from construction hazards and we will do our best to reduce impacts to the area and residents. Dust will be strictly controlled and monitored. Equipment and pickup trucks will be moving in and out of the area, and there could be noise and traffic impacts. No road closures are anticipated.



What to Expect?

During radiological scanning and sampling, radiological technicians will use scanning instruments on concrete foundations, sidewalks, and other open areas.

When breaking of building foundations and excavation work starts, nearby residents will see large scale heavy equipment, water trucks, dump trucks, and additional truck traffic entering and exciting the fenced areas.

Excavated soil will be surveyed on radiological screening yard pads and sampled and cleared prior to disposal.

Waste soils and materials will be staged in stockpiles or in roll-off bins prior to being hauled off to an offsite landfill.

Schedule

- Radiological scanning, saw cutting, and breaking of concrete foundations are planned to start on February 5, 2015 and continue for several weeks.
- Field work preparation, excavation, and soil screening work are planned to start during the fourth week of April, 2015 and continue until late summer 2015.
- Waste loading and disposal is planned to start in September 2015 and continue for several months
- Anticipated work hours are from 7:30 a.m. to 5:00 p.m., Monday through Friday, with building debris loading and transporting activities to an appropriate landfill limited to 9:00 a m. to 2:30 p.m. to the maximum extent practicable.

Project Background

The Navy has demolishing several unoccupied buildings at Westside Drive to access and excavate any contaminated soil that may be present underneath the buildings. To complete the cleanup in the fenced area, additional buildings that are near and outside the fenced area may also be demolished in the future for the safety of residents during further soil excavation close to these buildings.

For More Information

Contact the following Navy representative or California Department of Toxic Substances Control (DTSC) representative with project-related questions or concerns:

> Keith Forman Navy BRAC PMO 1455 Frazee Road, Ste 900 San Diego, CA 92108 (619) 532-0966 keith.s.forman@navv.mil

Remedios Sunga DTSC 700 Heinz Avenue, Suite 200 Berkeley, CA 94710 (510) 540-3840 remedios.sunga@dtsc.ca.gov

- Attend the Navy's Restoration Advisory Board (RAB) Meetings. Updates on basewide environmental investigations and activities are presented at the meetings. The next RAB meeting is scheduled for 7:00 p.m. on Tuesday. February 17, 2015 at the Casa de la Vista on Avenue of the Palms.
- Visit the Navy's web site, which contains historical and current information, including information on becoming a RAB member. It can be viewed at: www.bracpmo.navv.mil
- Visit DTSC web site at https://www.envirostor.dtsc.ca.gov/public/. Enter "San Francisco" as the City, scroll down and select "Naval Station Treasure Island/Site 12 Old Bunker Area," and click on the link "Activities" to view documents.
- Several reports have been prepared to document the investigation and cleanup decision making about these projects, all reviewed by the regulatory agencies and made available for public review. See the information repositories, listed below, for access to the documents.

Information Repositories

Navy BRAC Caretaker Support Office 1 Avenue of the Palms, Room 161 Treasure Island, San Francisco, CA 94130

San Francisco Public Library Government Publications Section AND 100 Larkin Street, San Francisco, CA 94102 (415) 557-4400

Treasure Island Community Watch & Safety

February 2015 Edition
Covering the month of January
Please email any questions or comments to TICW@outlook.com

January Crime Report

Accessibility of Crime Stats - We are still unable to access calls for service information from Commenapping.com, but have found out that the City is changing the way info is being provided to outside companies and the problem should be resolved soon. Spotcrime.com, the company that first provided Treasure Island with its own crime map years ago, is experiencing the same problem and has been very helpful (along with SFPD) in providing info on the problem.

Burglaries were down in January. There were two confirmed burglaries (one in the residential area, one in the commercial area) and one robbery (residential area) reported.

The robbery occurred around 13th and Gateview Ave on January 3rd. The victim was robbed of a purse. The suspect was last seen near Hutchins Court.

A burglary on <u>Bayside</u> occurred on Jan. 5th. Method of entry is not provided, but the thieves stole copper wiring.

The final burglary occurred on Jan 15th at 1 Ave of the Palms. The business had been ransacked, but there were no signs of forced entry.

There were two reported thefts on the island as well. On Jan. 20th, the Treasure Island Market reported that a suspect stole several food items and on the 22nd a resident on Gateview Ave reported stepping out for a few hours, then coming home to find several items missing but no signs of forced entry into the apartment

Finally, there were six auto boosts in January. One (residential) occurred on Exposition Dr. resulting in a smashed window. The other five occurred in non-residential areas. Two occurred on Avenue of the Palms, two on California, and one on Avenue M.

Police are still investigating the string of burglaries that occurred over the holidays and are processing the data. More information will be provided when it is released.

Police recommend to keep your windows and doors locked, report crimes in progress to 911 and suspicious behavior to 553-0123 (non-emergency number). You can remain anonymous by hitting "67 before dialing non-emergency number and by not providing your name, phone number or address.

Notifications – TICW (Treasure Island Community Watch) posted alerts to NextDoor.com and to our email list. If you would like to be on the list write to TICW@Outlook.com or join Nextdoor.com



FEBRUARY

Water



February Preparedness Goal:

Have 72 hours (3 days) worth of water stored for your household.

Below is a list of thing that you can do to achieve your goal this month. Choose at least one, and complete it.

Purchase and store a 72-hour supply of commercially bottled water (or more – up to two weeks).

Bottle a 72-hour supply of water at home.

Learn how to provide a safe supply of drinking water for your household in a disaster.

For local information about prepairing water, visit the SFPUC at http://sfwater.org/index.aspx?page=540

<u>Do1thing.com</u> is a website that helps you increase your preparedness one step at a time over a years period.



Treasure Island Community Watch Steering Committee

Treasure Island Community Watch (TICW) has been in existence in one form or another for over six years on Treasure Island. Our overall purpose is to support crime prevention on the Island. We work with SAFE, the SFPD, individuals, island groups, and agencies when possible.

The steering committee hosts a monthly meeting on the first Wednesday of the month at 6:30 pm at the Ship Shape.

Among other things, we encourage individual streets to start their own Neighborhood Watch (NW) groups and offer our assistance. Once a group has become an official Neighborhood Watch group of SAFE, that group can name a representative to attend these meetings as a full voting member.

The role of the Neighborhood Watch representative at the working group meetings is to:

- · Bring concerns of the street to the group
- Work to develop responses to issues
- · Take information back to the NW groups

Our goals

- Increase public (on island) knowledge about crime and crime prevention on the Islands.
- Address and mitigate community related crime issues where possible
- Attract residents and people employed on the Island to participate in regular Community Watch meetings and events
- Encourage "pride of place" among residents and people employed on the Islands
- Increase inter-agency cooperation when dealing with community crime related issues
- Reduce crime rate as indicated in Part One crime reports and Reports per 1000 reports.
- Involve the youth and parents of the Island in meaningful ways that incorporate all of the goals above.

Continued on next page

Renters Insurance

If you rent a house or apartment and think that your landlord is financially responsible when there is a fire, theft or other catastrophe—think again.

Your landlord may have insurance to protect the building you are living in. But your landlord's policy won't replace your personal possessions or pay for your living expenses while the building is being repaired.

Continued next page

On-Line Resources

alertsf.org sign up for free text-based notification system for San Francisco

crimemapping.com this is where you can access data on current crime trends based on calls for service.

facebook.com/Treasure Island Residents page for residents of TL and YBI

nextdoor.com this is a private social network for residents who live within a defined neighborhood. Treasure Island and Yerba Buena Island have their own sites.

72hours.org get advice on developing your emergency preparedness plans!

sf311.org to find out about city services and report problems.

sfsafe.org Want to start a Neighborhood Watch group or learn about safety, this is the place to go.

sftreasureIsland.org Treasure Island Development Authority (TIDA)

Community Groups

Treasure Island Community Watch (TICW) e-mail: TICW@Outlook.com — working committee to address crime and quality of life issues.

TI NERT—Neighborhood Emergency Response Team. This is a working group to encourage home grown resiliency. E-mail: ERapaport@aol.com

Treasure Island Community (TIC) - community group open to all. e-mail: contact@treasureislandcommunity.org

Treasure Island Health Network (TIHN) e-mail: tihn2012@ymail.com

TICW continued

Specific projects include (past, current and future)

- A monthly crime and preparedness report for general consumption
- Promotion of National Night Out on Treasure
 Island
- Seeking out neighborhoods ready to form a Neighborhood Watch and offering assistance
- Raising awareness of issues in the civic arena where appropriate
- Survey residents on crime or quality of life related issues and to present findings to TIDA, SFPD and other appropriate agencies.
- Stock neighborhood watch and preparedness material
- · Write grant for regular mailings
- · Develop outreach to parents and children
- Develop automated crime data processing and standards
- Maintain a website with community watch and emergency preparedness information specific to Treasure Island

If you are interested in joining the steering committee, send an email along with a description of why you would like to be considered, skills you bring, and what projects you are interested in to TICW@Outlook.com

Renter Insurance continued...

The only way to protect yourself financially against disasters is to buy a renters insurance policy.

Renters insurance, sometimes referred to as tenants insurance, includes three basic types of protection— Personal Possessions, Liability, Additional Living Expenses

From: Insurance Information Institute http://www.iii.org/article/renters-insurance



Up Ahead -Keep These On Your Radar

From District 6 Supervisor Jane Kim's Newsletter

SFPD Redistricting

Recently, I called for a hearing on police redistricting plans. District 6 has some of the most challenging neighborhoods in the city when it comes to public safety, and the community deserves to have input into this important plan for how to reallocate SFPD resources citywide. The Police Commission will also be hosting a series of community forums in the district - please bring your neighbors and make your voice heard! The 90 day public comment period will end on March 10, 2015. Get on the record:

February 11 - Northern Police Station 6:00pm @ 1125 Fillmore Street

February 25 - Southern Police Station -6:00pm @ 850 Bryant, Rm 551

For a PowerPoint presentation, click here.

For more about other meetings on the subject redistricting, <u>click here</u>.



AlertSF will send alerts regarding emergencies disrupting vehicular/pedestrian traffic, watches and

warnings for tsunamis, flooding, and Citywide post-disaster information to your registered wireless devices and email accounts. Registrants can also sign up to receive English-language automated information feeds and/or alerts targeted to specific areas of the City.

Registration for AlertSF is free. Text message charges may apply depending on your wireless carrier and plan. These charges will not be reimbursed by the City and County of San Francisco. When registering your cellular device, make sure it is capable of receiving email generated text messages

Definitions

Taken from the Uniform Crime Reporting Program and Wikipedia - http://en.wikipedia.org/wiki/California_criminal_la

Aggravated Assault/ADW: Violent assault/Assault with a Deadly Weapon

Auto Boost/Strap: Car break-in

Calls for Service: Calls for a police presence (both 911 and non-emergency)

Crime: In California, there are three different types of crimes and public offenses: (1) Infractions, (2) Misdemeanors, and (3) Felonies.

Felony: A felony is a more serious crime that can be punished by death or imprisonment in a state prison.

Fraud: Deception deliberately practiced in order to secure unfair or unlawful gain

Grand Theft: Unlawful taking and carrying away of the property of another valued at over \$950

Infractions: An infraction is a public offense, but not a crime, and is not punishable by imprisonment. Any person convicted of an infraction may only be punished by a fine, removal and/or disqualification from public office.

Larceny: The unlawful taking, carrying, leading, or riding away of property from the possession or constructive possession of another. (ex: bike thefts, shoplifting, etc.)

Misdemeanor: Except where the law specifies a different punishment, a misdemeanor is punishable by imprisonment in a county jail not exceeding six months and/or a fine not exceeding one thousand dollars.

Part One Crimes: Felonies (criminal homicide, forcible rape, robbery, aggravated assault, burglary, larceny, motor vehicle theft, arson)

Part Two Crimes: Misdemeanors. other assaults (simple), forgery, counterfeiting, fraud, embezzlement, stolen property (buying, receiving, possessing), prostitution vandalism, weapons (carrying, possessing, etc) prostitution & commercial vice, sex offensives (except forcible rape, prostitution, and commercialized vice), drug abuse violations, gambling, offenses against the family and children, driving under the influence, liquor laws, drunkenness, disorderly conduct, vagrancy, runaways (persons under age 18),etc.

Petty Theft: Unlawful taking and carrying away of the property of another valued less than \$950.

Robbery: Taking or attempting to take something of value by force, threat of force or through fear.

Strong Arm Robbery: Using force or threat of force to commit a robbery

TREASURE ISLAND COMMUNITY WATCH

Meets the first Wednesday of each month. 6:30pm - 7:45pm

The Shipshape @ 850 Avenue I (at 11th St. - Treasure Island)
TreasureIslandCommunityWatch@Outlook.com





Learn about community concerns. Meet new friends. Help us make a difference.

TO REPORT A CRIME ON TREASURE ISLAND ALWAYS CALL THE POLICE FIRST.

For EMERGENCIES or crimes in progress

DIAL 9-1-1

For NON-EMERGENCIES, or suspicious activity, dial:

415-553-0123



INSIDE SCOOP SF

· Home Michael Bauer Paolo Lucchesi Jon Bonné Carey Sweet Voices SFGate

Making Food: Local kombucha without the attitude

Posted on 02/11/2015 at 7:00 am by Alissa Merksamer in featured, Making Food

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Kombucha, Photo: Craig Lee / The Chronicle

In this new Inside Scoop series, Making Food, we explore the Bay Area's expanding universe of food entrepreneurs—and the delicious, creative foods they're making. We begin by profiling local finalists in the 2015 Good Food Awards.

The good stuff: Black currant kombucha. Tart and red like cranberry juice, this fermented tea drink from Lev's Original Kombucha is made with antioxidant-rich, non-GMO black currant juice from California.

The maker: Lev Kilun founded Lev's Original Kombucha in 2006 on Treasure Island. "My hobby got carried away," says Kilun. "In a commercial real estate broker by trade, but food was always my passion. Fermented food was always a hobby. I had an idea to change something in my life, and I saw this opportunity. Back in 2005/2006 when I started was when the kombucha boom started in the United States."

Where to find it: Lev's Original Kombucha is available on tap at various restaurants in San Francisco. Bottles are sold at Whole Foods Market, Berkeley Bowl and Andronico's Community Market. Visit Lev's Original Kombucha.

**

Scoop: How did you learn about kombucha?

Kilun: In the place I came from [Uzbekistan], everybody's grandmother was making some sort of kombucha or fermented drink. It could be sauerkraut juice. It could be beet juice. It could be quaff. It's very European and embedded in Chinese medicine as a health remedy.

What's special about your kombucha?

Kombucha is made from tea, so you can't possibly make good kombucha from bad tea. We're using the best tea in the world. It's Ceylon whole leaf green tea from Sri Lanka.

How have things changed since you started the business?

When I started this business, taste wasn't even considered. It was a functional drink. We started with just one flavor.

How does being in San Francisco affect your business?

We're lucky to be on Treasure Island. San Francisco is very open-minded and very willing to experiment. It's a health-conscious community.

What advice would you give to someone who wants to run his or her own business?

Build a good team. It's the most important thing because you cannot be controlling everything.

Lev's Original Kombucha, made on San Francisco's Treasure Island, comes in flavors from black currant to turmeric.



How important is it to have a good product in order to be successful?

There are product-driven companies and market-driven companies. My company clearly is a product-driven company. If you believe in your product, and you like your product, and you feel passionate about it, go with it. But if you're standing with the market, the market will dictate what you do. You need to see where you'd like to be—on the product side or the market side.

Previously:

- · Fort Point's Manzanita Beer
- · Tomales Farmstead Creamery's Atika Cheese
- · Flying Goat Coffee's Ethiopian Kochere
- Fish's Preserved Anchovies

0

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- News » Crime & Courts

February 19, 2015

Four juveniles arrested on Treasure Island in connection with robbery of cab driver

By Rob Nagle @SFEX_Rol

Four youths were arrested on Treasure Island early Thursday morning in connection with the robbery of a cabdriver, police said.

The cab was in the area of Bayside Drive and Gateview Avenue about 12:30 a.m. when his cab was surrounded by the group, police said.

One of the suspects grabbed the cabdriver's bag, police said, and fled. However, the four were later arrested and the bag was recovered.

One female and three male youths were booked on robbery charges.

More Crime & Courts >

Tägegs: Crime & Courts, San Francisco Police Department, Treasure Island, Robbery, Cab driver, luvenile suspects



magle@sfexaminer.com @SFEX_RobNagle

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News » Crime & Courts

February 25, 2015

Treasure Island liquor business burglarized of \$70,000 worth of cognac

By Rob Nagle @SFEX_RobNagle

A Treasure Island liquor business was burglarized of \$70,000 worth of cognac some time during the past six months, according to sources close to the investigation.

Yerba Buena Beverage, a company that distills and distributes liquor, reported the theft to police Tuesday after they saw that nine of the 84 cases reported stolen mysteriously appeared outside the fence of their storage area, an employee to wished to remain anonymous told The San Francisco Examiner.

The company had conducted inventory in mid-November, the employee said, and noticed a discrepancy. Due to the large amount of product the company deals with, it was not certain the cognac was stolen until another inventory was completed last week after six months of searching and comparing sales slips.

What finally convinced the business the booze was stolen was that on Tuesday, after returning from a long weekend, workers noticed a hole cut in their storage area fence with nine cases of the reportedly stolen cognac stacked up next to it.

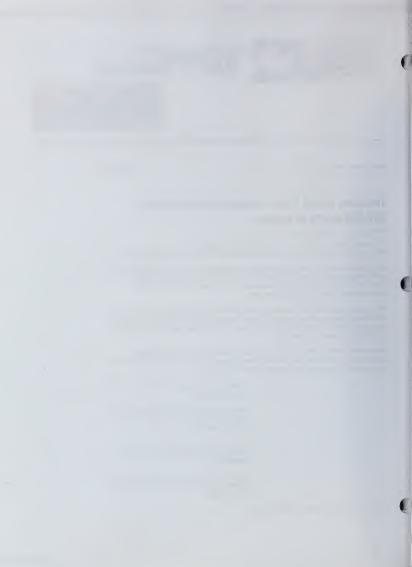
A source at the company said the hole was not in the fence Friday.

There are surveillance cameras in the area, but according to the employee, they don't show anything suspicious.

Police said they are waiting to receive the footage for their investigation, Officer Grace Gatpandan said.

The cases were reportedly stacked on two palettes and it is believed the thief knew how to drive a forklift.

There are no known suspects, Gatpandan said.







News » Other News

March 04, 2015

SF using public-safety bond funds to build temporary fire station

By Joshua Sabatini



RELATED STORIES

\$20M cost overrun in SF fire station projects shows uncertainty of bond funding By Joshua Sabatini

MIKE KOOZMIN/THE S.E. EXAMINER Fire Station 48 on Treasure Island was abandoned in March after mold was discovered. Money from a public-safety bond is being used to build a temporary replacement station.

San Francisco officials appear to be skirting the intent of a recently passed public-safety bond.

Last year, voters approved a bond to fix up neighborhood fire stations to withstand earthquakes, but now a portion of the funds are being diverted to build a temporary fire station on Treasure Island. And not only has the funding source of the \$3 million project come into question, so has the fact that The City has not competitively bid out the job.

"This is a clear case of where the departments should have competitively bid these contracts in our professional judgment," Budget Analyst Harvey Rose said last week during a Board of Supervisors Budget and Finance Committee hearing.

That committee is expected to vote on the funding today. Without competitively bidding, there is no way to guarantee The City is getting the best price for the job, which includes a



REVOLVE your first purchase

modular structure for barracks and operations and a temporary garage.

Of the total project cost, \$1.5 million is coming from the Earthquake Safety and Emergency Response Bond approved by voters in June.

"Our point is that when the voters voted on these bonds, the clear intent was for seismic improvement to neighborhood fire stations, not for this temporary fire station on Treasure Island," Rose said.

The City Controller's and City Attorney's offices have determined it is legal for The City to use the bond funds this way. But the allocation represents another public-safety bond surprise for voters.

Last month, The San Francisco Examiner reported that fire station projects related to a June 2010 public safety bond exceeded their budget by \$20 million and the overrun was going to be offset by funds from the 2014 bond.

Julia Dawson, a Department of Public Works deputy director, called the \$1.5 million bond grab "a very small amount."

"We don't see it as having a big impact on our ability to continue to improve neighborhood fire stations," Dawson said.

Assistant Deputy Fire Chief Ken Lombardi said that "this is a unique situation" since there is only one fire station on Treasure Island. Last year, firefighters complained of mold at Fire Station 48, a former Navy facility at 849 Avenue D. It was tested in March and determined the station should be abandoned. Department personnel moved into a training facility, where they remain today.

"We have a problem here," Lombardi said of the temporary space. "We have over \$2 million of vehicles sitting outside."

The contract work includes the following companies: TEF Design, Sprung Instant Structures, Design Space Modular Buildings, McGuire & Hester and Albert Electric.

The Fire Department, Lombardi said, was planning to bid out the project, but then was told the DPW would take the lead sometime last fall.

"By the time we reached October, we were in an emergency situation for that facility," Dawson said. "Our department made the decision and our director [Mohammed Nuru] made the decision to declare an emergency."

A new fire station is planned as part of the large-scale Treasure Island redevelopment, which would be funded by the developer, but that won't occur for at least another eight years.

More Other News »

Tagags: Other News, San Francisco Fire Department, Fire Station 48, Treasure Island, bond funding, public safety, San Francisco Department of Public Works

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2 of 3 3/4/2015 9:33 AM SFGATE http://www.sfgate.com/bayarea/article/Bay-Area-s-riskiest-on-ramps-keep-hearts-racing-6090723.php

Bay Area's riskiest on-ramps keep hearts racing

By Evan Semoffsky Updated 1:04 pm, Friday, February 20, 2015

Video: Risky onramps

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Carypsosualition

At a handful of Bay Area freeway on-ramps, all some drivers can do is grip the wheel, hit the gas and hope.

Ideally, on-ramps include a few key features: a lengthy approach that allows drivers to get up to highway speed

to make the merge, and good visibility to see who's closing in from behind.

But many ramps around the region are just too short. Drivers are faced with unpredictable options as they gun it to 65 mph—or faster—while trying to avoid being run off the road or getting crushed by a barreling big rig.

Horsepower is key, as is a neck with a strong swivel.

While no one has studied the Bay Area's shortest on-ramps, data compiled by the California Highway Patrol appear to confirm the danger of a few notorious spots.

Take the westbound ramp from Treasure Island and Yerba Buena Island onto the Bay Bridge, where drivers encounter a stop sign and then a succinct merge of roughly 135 feet. The area saw 665 wrecks from 2002 to 2013—roughly one a week — with 311 people injured and one killed, the CHP said.

"There's not enough acceleration after the stop sign," said 65-year-old Bill Dani of Berkeley.

He enjoys stopping by Treasure Island, which is home to some 2,000 people, to take in the sweeping view of San Francisco. But he doesn't enjoy the re-entry. When he heads back onto the freeway, he said, he waits as long as it takes for the lane to completely clear so he doesn't "make an accident."

Back in September, somebody did make an accident.

Six cars piled up on a Sunday morning at the westbound on-ramp toward San Francisco. No one was seriously injured, but the crash had a ripple effect and jammed up bridge traffic for hours. Irritated weekend drivers stood beside stopped cars back at the toll plaza.

Another trouble spot is the ramp from 29th Avenue to southbound Interstate 880 in Oakland, a popular route for motorists leaving Alameda via the Park Street Bridge.

Try, try again

The merge is about 250 feet long and is also an off-ramp, which complicates things considerably. Exiting drivers pack the right lane, creating a nasty crisscross of cars. Stymied motorists trying to get onto the freeway sometimes stay in the merge lane, take the exit, drive around the block and make another go at it.



IMAGE 1 OF 7

The merge onto northbound El Camino Real from highway 92 has to wait until traffic clears Thursday February 12, 2015. Several Bay Area freeway onramps are notoriously difficult and dangerous to navigate.

According to the CHP data, there were 163 crashes in the area of the ramp between 2002 and 2013. Fifty people were injured and one person died.

"It's dangerous," said 23-year-old Hazel Rodriguez, who works at a coffee shop in Oakland and drives home south c Interstate 880. She noted that the merge unfolds after a sharp right turn from 29th Avenue, forcing her to nearly stop before she floors it into the flow of whizzing traffic.

"There isn't any time," she said. "You have to go faster than the other drivers or hope you get let in — which doesn't happen."

Jerry Lester, a 78-year-old retiree from Berkeley who once lived in the area, said, "You have to time it exactly. It get a little scary sometimes. If somebody doesn't know who has the right of way, you have problems."

Lester is among a number of Bay Area residents who choose to simply avoid such ramps. He's now "found a new wa to get on the highway" whenever he visits his old Alameda neighborhood near the Park Street Bridge. CHP officials stressed that the crash stats do not differentiate between causes for the wrecks — which could include inclement weather and just plain bad driving.

Drivers responsible

"Nearly every collision that occurs on our freeway system is avoidable, and is due to someone operating their vehicl while neglecting their duty to drive safely, or in violation of a traffic law," said Officer Daniel Hill, a spokesman with the CHP's Golden Gate Division. "Ultimately, each driver is responsible for operating his or her vehicle in a safe manner."

The I-880 on-ramp, though, is not an anomaly. Many freeways around the Bay Area were engineered in the 1930s, '40s and '50s.

Some cities later filled in the tight nools within the network of roadways with homes and businesses, making modifications difficult without crews ripping through neighborhoods to make room for longer ramps or new configurations.

But relief is coming - at least in some spots.

San Francisco has long vowed to improve both the westbound and eastbound Treasure Island on-ramps, and in January 2014 construction began on an estimated \$98 million system of elevated ramps that will also include a new westbound exit. Work is scheduled to be completed next year.

Outdated designs

Caltrans officials said they are aware of other problematic on-ramps around the BayArea, though many were replaced with modern and efficient diamond-shaped flyovers after some older versions were damaged by the Loma Prieta earthquake in 1989.

One outdated design — of which dozens remain around the region — is the cloverleaf interchange. The space-saving model was popular in the 1950s, but is now recognized by experts as hazardous because drivers circling toward a freeway must slow down to a crawl moments before they are kicked into the speeding flow of the lanes.

This is precisely the dynamic in San Mateo at the cross of El Camino Real and Highway 92. Drivers must exit to the right, sweep around and immediately merge. Much like the Interstate 880 mess, freeway motorists are simultaneously crossing over toward the off-ramp just ahead.

Just one of the four cloverleaf merges at the San Mateo interchange saw 135 crashes between 2002 and 2013, resulting in 70 injuries and one fatality, the CHP said.

Engineers are in the design phase of replacing the interchange, with work slated to begin as early as January 2017, said Bob Haus, a Caltrans spokesman.

"If there are any (on-ramps) that are flat-out dangerous, we would have to shut them down," Haus said. "It's a

matter of speed and making sure you are aware of your surroundings - the common-sense driving rules."

Potential fixes

UC Berkeley Professor Alexander Skabardonis studies ways to improve outdated highway designs with better signs and new technology to warm drivers.

With on-ramps, "you have a zipper effect. It does not require much effort to merge if both vehicles are moving at the same speed. But not with different speeds," he said. "The modern highway interchanges are not cloverleafs. Perhaps it is because of these issues."

While Caltrans evaluates on-ramps that may need replacing, drivers will have to make do. Some consider the ramps to be merely another challenge of traveling in the Bay Area.

"Tve been taking it so long, it doesn't freak me out," said Veronica Gallardo, who routinely merges onto southbound Interstate 880

from Alameda.

"You have to step on the gas," she said. "And you have to have quick reflexes."

Evan Sernoffsky is a San Francisco Chronicle staff writer. E-mail: esernoffsky@sfchronicle.com Twitter:
@EvanSernoffsky

What's not working

Issue: Some on-ramps to Bay Area highways and interstates are too short. Drivers don't have enough distance to accelerate and merge into the flow of traffic. Hundreds of crashes happen every year due in part to the short ramps, which many drivers have learned to avoid.

What's been done: Caltrans is working to update several antiquated on-ramps around the Bay Area, including ar outdated interchange between Highway 92 and El Camino Real in San Mateo. Meanwhile, San Francisco is improving the harrowing ramps onto the Bay Bridge from Treasure Island and Yerba Buena Island, with construction due to be completed next year.

What you can do: To report dangerous drivers, call the CHP at (800) 835-5247. To alert Caltrans to a dangerous on-ramp, call (916) 654-2852. To tell the Chronicle Watch staff about your experience with a short on-ramp, e-mail chroniclewatch@sfchronicle.com.

Chronicle Watch

If you know of something that needs to be improved, the Chronicle Watch team wants to hear from you. E-mail you issue to chroniclewatch@sfchronicle.com, or reach us on Twitter: @sfchronwatch.



















TREASURE ISLAND AND YERBA BUENA ISLAND

Treasure Island Development Authority Board Major Phase Application 1 Overview

March 11, 201

MAJOR PHASE 1 SCHEDULE

>	1.6.15:	1.6.15: TI/YBI CAB Parks Review - Cityside Park, Eastside Commons, Hilltop Park, Cultural Park
>	1.14.15:	1.14.15: TIDA Board Parks Review - Cityside Park, Eastside Commons, Hilltop Park, Cultural Park
>	1.27.15:	1.27.15: TIDA ITC Review 1 - Ferry Plaza + Shelter, Bldg 1 Plaza, Marina Plaza, Retail Street, Bldg 2+3 Plazas,
		Clipper Cove
>	√ 1.30.15:	TIDA Major Phase 1 Draft Pre-Submission Review
>	23.15	7 2.3.15: TI/YBI CAB Parks Review - Ferry Plaza + Shelter. Bldg 1 Plaza. Marina Plaza. Retail Street. Bldg 2+3 Pl

TIDA Board Review - Ferry Plaza + Shelter, Bldg 1 Plaza, Marina Plaza, Retail Street, Bldg 2+3 Plazas, 2.10.15:

Clipper Cove

n MP1, and Sea Level Rise & Shoreline Improvements in MP1 Clipper Cove 2.24.15:

- IIDA ITC Review 2 Street Design Update, Overview of MP1 Application, Geotechnical Improvements
- Major Phase 1 Application Submission 2.27.15:
- TI/YBI CAB Review Overview of MP1 Application, Geotechnical Improvements in MP1, and Sea Level Rise &Shoreline Improvements in MP1 3.3.15:

TIDA Board Review - Overview of MP1 Application 3.11.15:

- II/YBI CAB Review MP1 Application Topic TBD IIDA ITC Review 3 - MP1 Application - Topic TBD 3.24.15: 4.7.15:
- TIDA Board Review MP1 Application Topic TBD 4.8.15:
 - TIDA ITC Review 4 MP1 Application Endorsement 1.28.15:
 - TI/YBI CAB Review MP1 Application Endorsement TIDA Board Review - MP1 Application Approval 5.5.15:
- TREASURE ISLAND | TIDA Board Meeting | March 11, 2015



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PHASING - MAJOR PHASE

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PHASING - MAJOR PHASE 1 SUB-PHASES

EXECUTIVE SUMMARY

The side for the Tressure Island and Yeto Buesa Island "Preset" is divided into four "Major Phases" (targe, mend took actes) and, within the label Phase, vanous "Sub Phases" (one or more algreen blocks within the Major Phaso, This is conceptually all substituted in the Major Phases dayan on the pressure page. Sabject to the terms and conditions in the Project's Optiops and Development Apricement (DOA), the Treasures Island Development Authority (TIO) was to comp options of the Project Sirc council or accurate by the TIOA to the Development the Treasure Askard Community Development (TIOD), for phased development by TIOD.

This application is the presentation by TKD of additional distance instruction for Major Phase). It excludes all of this distance date, activated as a serial or report, and compliance updates that are described on applicant detail mit he Project Sheeping feverus and Decument Approva Procedure (DRDAP) subset to be DMA.

The Majer Phase 1 application is organized according to the following Chapters.

1.0 INTRODUCTION

The interoculous chapter promotes, aummary policy be theighours information included the regulatory performing the interoculous of the Project, a summary discussion of the Project, and the Public Benefit succession with this Major Phase. It includes describeding and deligement of the sup plasses, within Rajar Phase 1, including one baulanday adjustment made between two of the sub plasses. The chapter also features a summary description of the many was in which the Poycet integrales such amendation of the chapter and the support of the chapter and the chapter and the chapter is the Poycet of the chapter in much a beast manner, that the Poycet's unfailment of these doughtons are relevant in and electrode in more deal and exclusive of the Poycet's unfailment of these doughtons are relevant to and electrode in more deal and the chapter of the Poycet's produced by Physics expectation. Section 1.3 as a unfail starting piece, to gift an eventure of the Poycet's such analysisty features.

2.0 LAND USE AND DEVELOPMENT PROGRAM

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3.D TRANSPORTATION AND STREETSCAPES

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The chapter also features data and disgrams for on street paising, off street parking, and loading zones, including intermation about accessible parking and loading aleas.

PARKS AND OPEN SPACE

 This chapter also halves more detailed information about the forty ferminal proposed for the southwest center of frequent sharin. As destricted better, the forty ferminal includes all the waterside and landside improvements accordated with the accommodation of new forty service to firesture (sharin).

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6.0 GEOTECHNICAL AND SHORELINE IMPROVEMENTS

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The chapter also provides became all internation about projections for later sea level the, proposed sland permeter employments, supplying the analogement strategies to fund and implement stater shortene protection insprincements and as incacked belasts.

7.0 LAND TRANSFER AND IMPLEMENTATION

This chapter includes information that illustrates from the finist exchange and mapping process establishes, lands on treasure Island and Vetas Buena Hand as either public or private properties.

O APPENDICES

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1.1 REGULATORY CONTEXT AND AUTHORITY

Treasure Island and Yerba Buena Island are set forth in the The General Plan land use designations and policies governing freasure Island / Yerba Buena Area Plan, an area plan of the City's General Plan that provides the broad General Plan objectives and policies to redevelop the islands. The overall objectives and policies of the General Plan are implemented through the applicable zoning for the islands, which is found in the Treasure Island / Yerba Buena Island Special Use District ("Special Use District"), Section 249.52 of the Planning Code. The Special Use District includes basic land use and development standards for the development areas of Treasure Island and Yerba Buena Island identified in the Special Use District ("Development Plan Area"), and sets forth the process for approval by TIDA and the Planning Department and Commission, as applicable, of Vertical Improvements. The Special Use District references the Design for Development, also adopted by the Planning Commission, for more detailed design standards and guidelines for development. FIDA is the public agency responsible for the oversight of the development within the Development Plan Area, and administers the property that is subject to the Tidelands Trust in accordance with the land use restrictions set forth in the Treasure Island Conversion Act of 1997 (amending Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968). TIDA will have oversight for the horizontal development of the islands as more particularly described in the Design for Development. TIDA, for the Tidelands Trust property, and the Planning Department and Commission, buildings on the islands in accordance with the standards and as applicable, will review and approve the development of procedures set forth in the Special Use District and the Design

Design for Development supersede the San Francisco Planning Code in its entirety except as otherwise expressly noted in the 4s sel forth in the Special Use District, the Special Use District and Design for Development. The Green Building Specifications in the

Design for Development supplement the City and County of San Francisco's Green Building Ordinance, essentially "raising the sustainability bar" for the Islands' development. In addition, all transportation plans, as more particularly described in the Design for Development. In the event of any conflict between the Design for Development and the Special Use District, the Special Use development on the islands is subject to contractual agreements with the Developer that include detailed infrastructure and District provisions control.

DESIGN REVIEW AND DOCUMENT APPROVAL PROCEDURE

The Design Review and Document Approval Procedure (DRDAP), which is part of the Treasure Island and Yerba Buena Island Disposition and Development Agreement (DDA), sets forth the procedures for submitting, reviewing, and approving Major Phase and Sub-Phase Applications for the Project Site. The review and approval process set forth in the DRDAP relates primarily to horizontal infrastructure development and compliance with various obligations under the DDA

MAJOR PHASE APPLICATIONS AND APPROVALS

The purpose of a Major Phase Application is for the Developer - Treasure Island Community Development (TICD) - to present additional detailed information for a certain geographic area of the Treasure Island and Yerba Buena Island Project (Project), referred to as a Major Phase (see Figure 1.1). Major Phase Applications generally include overall site plans, vicinity plans, illustrative concept plans for Infrastructure and Stormwater Management Controls, including all Associated Public Benefits, and any proposed changes to the Phasing Plan attached to the DDA, as updated and approved from time to time. The Treasure Island Development Authority (TIDA) shall review such Applications and coordinate with applicable City Agencies for review in accordance with the Interagency Cooperation Agreement (ICA), Approval of the Major Phase by the TIDA Board

serves to confirm that the Major Phase Application conforms to and is consistent with the applicable Development Requirements. and for the Developer to obtain approval by TIDA of the additional detailed information included in a Major Phase Application that has not been previously reviewed or approved by TIDA Under the DDA, the TIDA Board must approve the Major Phase Application before the TIDA Executive Director may approve a

SUB-PHASE APPLICATIONS AND APPROVALS

A Sub-Phase is a smaller geographic area within a Major Phase. A Sub-Phase Application includes plans for Infrastructure and Stormwater Management Controls within the Sub- Phase, including data charts, site plans, 50% Construction Documents for Infrastructure and Stormwater Management Controls within the Sub-Phase, and 100% Design Development Documents for

Open Space Lots.

A Sub-Phase Application must be approved by the Executive permits may be issued for Infrastructure and Stormwater Director before the conveyance of land to TICD, before building Management Controls and before the Authority's consideration of and grant of Vertical Approvals. The Developer will submit Sub-Phase Applications for the Sub-Phases within Major Phase 1 in accordance with the Schedule of Performance (See Sections 1.4 and 1.6)

FERTICAL APPLICATIONS AND APPROVALS

governed by the Treasure Island and Yerba Buena Island Special Use District that resides in Section 249,52 of the City's Planning Code. The procedure for submitting, reviewing and approving applications for Vertical Improvements in the Project Site

TREASURE ISLAND IS YERBA BUENA ISLAND MAJOR PHASE 1 APPLICATION

1 - INTRODUCTION

1.3 SUSTAINABILITY AND ENVIRONMENT

Land Use

- LEED ND
- Walkable compact development
- Expansive Open Space
- Habitat Management

Sea Level Rise

Adaptive Management

Transportation

- Prioritize walking and bicycling on island
 - Robust transit
- Congestion tolling

Infrastructure

- Stormwater Management
- Recycled Water

Energy & Water

Green Building Specs

Building Design & Construction

Alternatively fueled construction vehicles

Solid Waste

- 75% construction waste diverted from landfills
- On-island composting to support Urban Agricultural Park

Community Benefits (Social & Economic Sustainability)

- Jobs & Equal Opportunity Program
- Construction Contractor Assistance Program

1.5 MAJOR PHASE 1 ASSOCIATED PUBLIC BENEFITS



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1.5 MAJOR PHASE 1 ASSOCIATED PUBLIC BENEFITS

Financial Obligations

- Parks & Open Space Operations Subsidy
- \$1.5 million annually for first 5 years
- \$3.0 million annually thereafter; \$14.3 million total
- Transportation Subsidy
- · Up to \$4.0 million annually; \$30 million total
- Affordable Housing Subsidy
 - \$17,500 per market rate unit
- Approx. \$47.7 million total for Major Phase 1
- Ramps / Viaduct Project Cost Reimbursement
 - Approx. \$7.8 million in Q2 2015
- Approx. \$3.2 million in Q4 2015
- Approx. \$3.3 million in Q4 2016

1.8 CONSISTENCY WITH PREVIOUS ENTITLEMENT DOCUMENTS

PHASING AND SCHEDULE OF PERFORMANCE

The Project Phasing Plan has been altered slightly, as described in

Section 1.4 of this Major Phase Application. Additionally, certain dates in the Schedule of Performance have been extended due to DDA, a CEQA Delay shall be provided for any time during which there are litigation or other legal proceedings pending involving additional environmental review. The Project was delayed due to a CEQA Delay of the Project, Consistent with Section 24.2 of the he certification or sufficiency of the Project EIR or any other CEQA litigation for approximately three years and four months, therefore certain dates have been extended three years. The revised Schedule of Performance is included as Appendix B.

LAND USE AND GEVELOPMENT PROGRAM

The proposed land use for Major Phase 1 is consistent with all previous entitlement documents. The locations of housing, commercial and community uses are shown illustratively based on the land use standards and guidelines in Sections T3 and Y3 of the TI-YBI Design for Development. The proposed development program is also within the limits established by the Project EIR. The development blocks in Major Phase 1 are largely consistent with the TI-YBI D4D, but have been revised slightly based on updated street designs and new survey are not substantive. Building height limits, setbacks, bulk and massing standards shown in the Major Phase 1 Application are consistent with those in Sections T4 and Y4 of the TI-YBI D4D. The Tidelands Trust configuration is also consistent with information. The changes to the development block dimensions the TI-YBI Trust Exchange Agreement.

IRANSPORTATION AND STREETSCAPES

The transportation systems and streetscapes included as part of this Major Phase I Application are consistent with previous

TREASURE ISLAND & YERBA BUENA ISLAND MAJOR PHASE I APPLICATION

Island Streetscape Master Plan, which was approved by TIDA in antitlement documents and the Treasure Island/Yerba Buena ebruary 2015.

PARKS AND OPEN SPACE

The Parks and Open Spaces included as part of this Major Phase . Application are consistent with previous entitlement documents and the Treasure Island/Yerba Buena Island Parks and Open Space Plan. All programmatic requirements, standards and zuidelines established in the Parks and Open Space Plan have been incorporated in the schematic design for each park.

SHILLING.

The Utility systems included as part of this Major Phase 1 and the Treasure Island/Yerba Buena Island Master Utility Plans. The Utilities section of this Major Phase application presents limited additional information about proposed connections to existing utilities on Treasure Island and Yerba Buena Island. Further information regarding phasing and interim utility Application are consistent with previous entitlement documents which are currently being reviewed by applicable City Agencies. improvements will be provided as part of subsequent Sub-Phase submittals.

SECTECHNICAL

and Yerba Buena Island. The subject reports identified the in 2009, during the Treasure Island EIR effort, conceptual extechnical design reports were developed for Treasure Island geotechnical issues and provided concept level geotechnical improvement strategies to mitigate the geotechnical hazards, A design level geotechnical exploration program recently commenced for the first phase of work at TI and YBI. Based on the findings of the recent geotechnical exploration program, the

geotechnical concerns and the proposed geotechnical mitigation measures are similar to the ones identified in 2009 conceptual Reotechnical design reports.

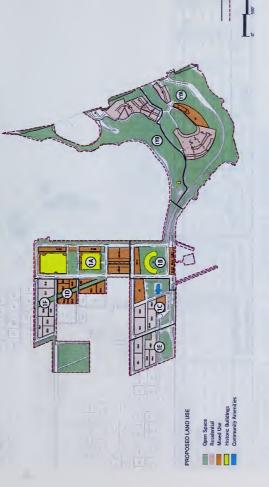
MARINE AND SHORELINE IMPROVEMENTS

The design of the Ferry Terminal and Shoreline improvements are consistent with the project as set forth in the Design for Development and Mitigation Measures described in the Final Environmental Impact Report.

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1 - INTRODUCTION 31

2. LAND USE AND DEVELOPMENT PROGRAM



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2.6 MAJOR PHASE 1 PROJECT HOUSING

	Total Allowable					Sub-Phase	hase			
Land Use	Building Program	Major Phase 1	1YA	178	1.4	18	10	1D	16	1,5
Townhome (Units)	421	263	159	63	•	-	•	Ī	19	22
Low Rise (Units)	2,232	611	•		221	•	72	66	09	159
Mid-Rise (Units)	519	322	•	78	29		85	92	٠	•
Tower (Units)	3,144	1,755	•		514		741	174	178	148
Authority Housing (Units)	1,684	620	-	•	88	-	•	38	191	303
Total Residential Units	8,000	3,571	159	141	890	-	868	403	448	632
									١	



2.7 MAJOR PHASE 1 POTENTIAL COMMERCIAL



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2.5 MAJOR PHASE 1 BUILDING HEIGHTS AND MASSING



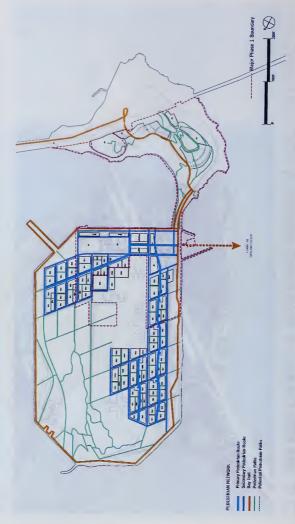
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2.5 MAJOR PHASE 1 BUILDING HEIGHTS AND MASSING



TREASURE ISLAND | TIDA Board Meeting | March 11, 2015

3.2.1 PEDESTRIAN NETWORK



TREASURE ISLAND | TIDA Board Meeting | March 11, 2015

3.2.2 BICYCLE NETWORK



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3.2.4 TRANSIT NETWORK



4. PARKS AND OPEN SPACE



PROPOSED PARKS AND OPEN SPACE MAJOR PHASE 1 : SUBPHASES

TREASURE ISLAND	MIP-I
Waterfront Plaza	1.9
Building 1 Plaza	2.4
Marina Plaza	21
Cultural Park	2.9
Cityside Waterfront Park 1	2.5
Cityside Waterfront Park 2	3.8
Clipper Cove Promenade 1	9.0
Clipper Cove Promenade 2	1.9
Eastside Commons 1	0.7
Eastside Commons 2	0.5
Eastside Commons 3	0.5
Eastside Park	51
Cityside Neighborhood Parks	0.2
Building 2 Landscape	1.1
Building 3 Parking and Open Space	2.1
Urban Agricultural Park	6.7
	417

	23	22	8.0	1.99	72.4
				ement Areas	
YERBA BUENA ISLAND	k1	k2	-	VBI Trails and Habitat Management Areas	
YERBA BUI	Hilltop Park 1	Hillop Park 2	Beach Park	YTH Trails a	

303.6

TREASURE ISLAND | TIDA Board Meeting | March 11, 2015

5.1 STORMWATER TREATMENT



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5.2 STORM DRAIN



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5.3 SANITARY SEWER



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5.4 LOW PRESSURE WATER



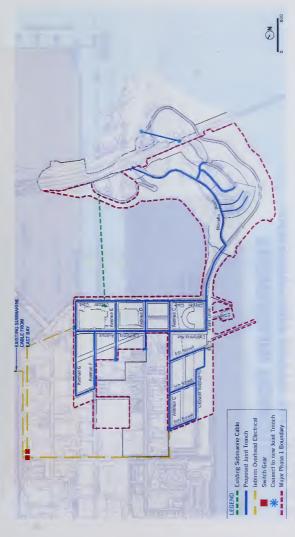
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5.5 RECYCLED WATER



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5.6 JOINT TRENCH



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6.2 TREASURE ISLAND AND CAUSEWAY GEOTECHNICAL IMPROVEMENTS





6.2 TREASURE ISLAND AND CAUSEWAY GEOTECHNICAL IMPROVEMENTS



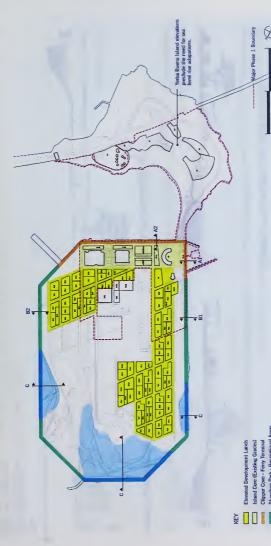
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6.3 YERBA BUENA ISLAND GEOTECHNICAL IMPROVEMENTS



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6.4 SEA LEVEL RISE STRATEGY AND SHORELINE IMPROVEMENTS



TREASURE ISLAND | TIDA Board Meeting | March 11, 2015

6.4 SEA LEVEL RISE STRATEGY AND SHORELINE IMPROVEMENTS

SECTION A1 FERRY TERMINAL

SECTION B1 CITYSIDE WATERFRONT PARK TYPICAL CONDITION





SECTION A2 CLIPPER COVE PROMENADE



SECTION B2 EASTERN SHORELINE PARK



FIGURE 6.5 SEA LEVEL RISE SECTIONS A1, A2, B1 AND B2

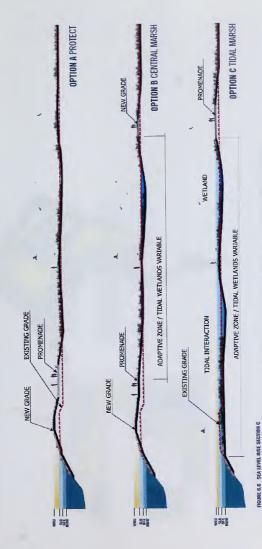
WRU Wave Run-Up
SLR Sea Level Rise
BrE Base Flood Elevation

MHW Mean High Water

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6.4 SEA LEVEL RISE STRATEGY AND SHORELINE IMPROVEMENTS

SECTION C NORTHERN SHORELINE PARK - OPTIONS



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7.3 PUBLIC AND PRIVATE PROPERTY OWNERSHIP



THANK YOU QUESTIONS?











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TREASURE ISLAND DEVELOPMENT AUTHORITY MEETING MINUTES

March 11, 2015 - 1:30PM

Room 400, City Hall 1 Dr. Carlton B. Goodlett Place

DIRECTORS

V. Fei Tsen, President Larry Mazzola, Jr., VP Linda Fadeke Richardson Hon. Jane Kim (Ex-Officio)

Robert Beck, Treasure Island Director Kate Austin, Commission Secretary Jean-Paul Samaha, Secretary Mark Dunlop, CFO Dr. Tomás Aragón Jeff Kositsky

ORDER OF BUSINESS

1. Call to Order: 1:43pm

Present V. Fei Tsen Larry Mazzola Mark Dunlop Linda Richardson Jean-Paul Samaha Jeff Kositsky

Excused

Dr. Tomás Aragón Hon. Jane Kim (Ex-Officio)

2. General Public Comment

There was no public comment.

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3. Report by Treasure Island Director

Robert Beck, Treasure Island Director, reported on Island Operations and Development activities.

The Villages has provided 8 units to HSA for victims of recent fires in the Mission and Tenderloin.

USCG, WETA & City DEM hosted a meeting on February 10th on Treasure Island to review resources for regional response and water evacuation in the event of a major emergency.

As a follow-up to the February meeting, TIDA and Bay Ship hosted a site visit to Treasure Island Pier 1 on 3/10 to familiarize agencies responsible for City Evacuation/Relocation planning with the Pier and to help them understand the additional resources that will be needed to effect water-based evacuation of TIY/BI.

JSCo installed wireless video cameras in several vacant units to try to identify vandals &

JNC o installed wireless video cameras in several vacant units to try to identify vandars & squatters which resulted in two arrests in the first 48 hours after the cameras were installed. In a separate incident, 4 juveniles were arrested after an attempted robbery of a cab driver.

TIDA has been working with working with the Navy and TICD to finalize the deed description & title insurance policy terms and exceptions to enable the first transfer. TICD submitted revised draft Utility Master Plans that reflected City Agency comments. Mr. Beck reported on recent Treasure Island events including youth Regatta at the TI Sailing Center, the Treasure Island Flea Market, Black Histroy Month events, and a Family Dance Party at the YMCA.

Mr. Beck congratulated Sherry Williams on the 20 anniversary with TIHDI.

4. Communications From and Received by TIDA

There was no discussion on Communications From and Received by TIDA. There was no public comment.

5. Ongoing Business by Board of Directors

Director Richardson congratulated Sherry Williams and commented on the black history month events taking place on Treasure Island.

Director Dunlop commented on complaints he has received from residents regarding YBI temporary roads and shuttle services speeding. Mr. Beck said he will communicate these issues to the appropriate parties.

There was no public comment.

6. CONSENT AGENDA (Action Items)

a. Approving the Minutes of the February 10, 2014 Special Meeting

There was no public comment on Consent Agenda.

Director Richardson moved the consent agenda. Director Dunlop seconded the motion.

This item passed unanimously.

7. Overview of the Financing Plan

Robert Beck, Treasure Island Director, presented an overview of the Financing Plan, which was approved with the Disposition and Development Agreement in 2011. The review detailed financing plan goals, general project financing requirements, eligible public benefits, the parameters of the Infrastructure Financing District (IFD) and Community Facilities District (CFD), and the formation timeline.

Director Tsen had requested the presentation and asked who is the team that will be working on public financing structuring on behalf of the authority? Mr. Beck said that we are working with the Office of Public Finance and Chris Lynch of Jones Hall and Bob Gamble of PFM.

Director Kositsky asked how many affordable housing units will be financed by the funds.

Director Richardson thanked Director Tsen for bringing attention to the financing plan and asked where the documents are available? The documents can be found on the TIDA website.

Director Tsen requested Mr. Beck to provide a summary of affordable housing at a future meeting.

Sherry Williams, TIHDI, made comments on IFD financing and legislative changes.

8. Presentation of the Major Phase Application

Julian Pancoast, TICD, presented an overview of the Major Phase 1 Application. Mr. Pancoast reviewed the history of MP1 presentations and schedule for approval, the organization and contents of the document, important sections, and the infrastructure improvements included in made in MP1. Section 6, Geotechnical and Shoreline Improvements, was not required of TICD but has been included as valuable information.

Director Richardson requested the City Agencies that reviewed Major Phase Applicationbe included in the schedule and modifications to the executive summary to include transportation.

Director Samaha made comments and asked if Planning will be reviewing the Major Phase Application.

Director Richardson made comments on studio housing and the need to look at a diversity of housing.

Director Tsen asked if there will be interim locations for the Music Festival, TI Flea, and the Dragonboat Festival. Mr. Beck said that all of the events are planned to be held this fall, but that organizers had been advised that it may not be possible to host the events into 2016 although we will continue to evaluate alternatives.

Walt Bilofsky, TI Museum, made comments on pedestrian circulation and traffic through Building 1 in the MP1.

9. Discussion of Future Agenda Items by Directors

There was no discussion of Future Agenda Items by Directors.

10. Adjourn 3:40

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, One Avenue of the Palms, Second Floor, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

If any materials related to an item on this agenda have been distributed to the TIDA Board of Directors after distribution of the agenda packet, those materials are available for public inspection at Treasure Island Development Authority, Building One, 2nd Floor, One Ave. of Palms, San Francisco, CA 94130 during normal office hours.

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Avenue, Suite 220, San Francisco, CA 94102, telephone (415) 252-3100, fax (415) 252-3112; web site http://www.sfgov.org/ethics/.

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EDWIN M. LEE, MAYOR GOVERNMENT DOCUMENTS DEPT

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NOTICE OF SPECIAL MEETING TREASURE ISLAND DEVELOPMENT AUTHORITY

NOTICE IS HEREBY GIVEN that the regular April 8, 2015 Treasure Island Development Board Meeting is **canceled**.

The meeting has been rescheduled to Wednesday, April 8, 2015 at 5:30PM at the Casa de la Vista, 191 Avenue of the Palms, Treasure Island, San Francisco, California. An agenda shall be posted 72 hours prior to the Special Meeting.

Treasure Island Development Authority

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, One Avenue of the Palms, Second Floor, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

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Disability Access

The Treasure Island Development Authority is holding this special meeting at the Treasure Island Casa de la Vista, Building 271, 191 Avenue of the Palms, Treasure Island, San Francisco, CA. The Casa de la Vista is accessible to persons using wheelchairs and others with disabilities. Assistive listening devices are available upon request. Agendas are available in large print. Materials in alternative formats and/or American Sign Language interpreters will be made available upon request. Please make your request for alternative format or other accommodations to the Mayor's Office on Disability 554-6789 (V), 554 6799 (TTY) at least 72 hours prior to the meeting to help ensure availability.

MUNI bus line serving the area is the 108 line. Accessible curbside parking is available on Avenue of the Palms. For more information about MUNI accessible services, call 923-6142. For those persons requiring driving information, please call the TIDA Commission Secretary, at 274-086.

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TREASURE ISLAND DEVELOPMENT AUTHORITY MEETING AGENDA

April 8, 2015 - 5:30PM

Casa de la Vista, Treasure Island 191 Avenue of the Palms, San Francisco, CA 94130

DIRECTORS

V. Fei Tsen, President Larry Mazzola, Jr., VP Linda Fadeke Richardson Hon. Jane Kim (Ex-Officio)

Robert Beck, Treasure Island Director Kate Austin, Commission Secretary Jean-Paul Samaha, Secretary Mark Dunlop, CFO Jeff Kositsky

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ORDER OF BUSINESS

Call to Order and Roll Call

General Public Comment
 This item is to allow members of the public to address the Treasure Island Development
 Authority Board ("Authority Board") on matters that are within the subject matter
 jurisdiction of the Authority Board and that do not appear on the agenda. In addition to
 General Public Comment, Public Comment will be held after each item on the agenda.
 (Discussion Item)

3. Report by Treasure Island Director

Estimated Length of Item: 15 minutes

Report by Treasure Island Director

This item is to allow the Treasure Island Director to report on Island Operations and
Development activities including leasing, health and public safety, utilities, budget,
Quality of Life issues, social services and on-Island events, the status of environmental
remediation and coordination with the Department of the Navy, interactions with other
City and State agencies, progress with Treasure Island Community Development in
implementation of the Disposition and Development Agreement and related plans, and
other activities related to the transfer and development of the former Naval Station

Treasure Island. (Discussion Item) Estimated Length of Item: 20 minutes

- 4. Communications From and Received by TIDA (Discussion Item)
 Estimated Length of Item: 5 minutes
- Ongoing Business by Board of Directors (Discussion Item)
 Estimated Length of Item: 5 minutes
- 6. CONSENT AGENDA (Action Items)
 Estimated Length of Item: 5 minutes

All matters listed hercunder constitute a Consent Agenda, are considered to be routine by the Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

- a. Approving the Minutes of the March 11, 2015 Regular Meeting
- Resolution Approving and Authorizing the Execution of Sublease Nos. 954, 955 and 956
 with GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon
 Wircless, a California limited partnership, for three cellular communications sites located
 on Treasure and Yerba Buena Islands, California. (Action Item)
 Estimated Length of Item: 10 min
- 8. Overview of Housing Provider Programs (Information Item)
 Estimated Length of Item: 20 minutes
- 9. Informational Presentation on History of Treasure Island (Information Item)
 Estimated Length of Item: 15 minutes
- Overview of Pre-Development Process & Timeline to Construction (Information Item)
 Estimated Length of Item: 25 minutes
- Planning for Relocation Tenant Relocations Prior to Construction (Information Item)
 Estimated Length of Item: 15 minutes
- Informational Presentation on the Proposed Draft Treasure Island Development Authority Fiscal Year 2015-16 Budget and Fiscal Year 2015-16 Budget, FY 2015/2016 Budget (Discussion Item)
 Estimated Length of Item: 15 minutes
- 13. Discussion of Future Agenda Items by Directors (Discussion Item)
 Estimated Length of Item: 5 minutes
- 14. Adjourn

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MEMORANDUM



To: Bob Beck, Treasure Island Director, Treasure Island Development Authority

cc: John Stewart, JSCo Dan Stone, JSCo Connie Le, JSCo

Sonya Rosenbach, JSCo Loren Sanborn, JSCo Jack Gardner, JSCo Lynny Lee, JSCo

From: Jeffrey Kohler

3/23/2015

Date:

Subject: Percentage Rent for Treasure Island Housing Project Sublease for Feb 2015

Enclosed is our payment of Percentage Rent in the amount of \$210,841 for the Feb 2015 period, calculated per the sublease agreement. In addition, the amount disbursed has been reduced by \$9,378, recouping 1/36th of prior year audit adjustments outlined in the 2010 Audit per the previous sublease agreement (with an additional \$13.00 deduction in final repayment month). As of today we has recouped 32/36th of prior year audit adjustment and the balance will need to recoup is \$37,525.00.

Calculation of Funds Available for Distribution

TIDA receives 95% revenues remaining after adjusting gross revenues by operating expenses, current accretion due and the repayment of ledger balances based on sublease specifications. Funds sended for replacement reserve eligible items are expensed in the period expenses are recognized. To the degree that these costs are reimbursed from the replacement reserve account, percentage rent will be adjusted in the period that the reserve draw is approved.

For the month of Feb 2015, actual Total Revenues were about 3.31% above budgeted Total Revenues. Total expenses for Feb 2015 were approximately 13.23% above budgeted for the month. The result was that Funds Available for Feb 2015 Distribution were \$231,809 or about 18.42% below budgeted amounts. This is the result of several major ongoing projects including moisture remediation and special island improvement projects as directed by TIDA. These over budgeted expenditures make up 94% of the variance in the amount eligible for % rent distribution.

Calculation of Percentage Rent

Based on operations, a total of \$231,809 in adjusted Gross Revenues after costs of operations are available for distribution for the Feb 2015 period. These revenues are distributed as follows:

Feb 2015 Distributions	Feb 2015 Actual	Feb 2015 Budgeted
Available for Distribution Percentage rent for TIDA	\$231,809 \$220,219	\$284,166 \$269,947
Repay Prior overpayment 32 (1/36 TH total per period)	-\$9,378	
Net Disbursed as percentage rent to TIDA	\$210,841	\$269,947
Percentage rent for JSCO	\$11,590	\$14,207

This percentage rent breakdown reflects the current year split by TIDA/JSCo. Beginning with new sublease executed at September 2014, TIDA receives 95% of revenues after expenses, while the John Stewart Company percentage is 5% of the amount.

Comparison to Budget	2/28/2015							
Draw 5		February-15	v-15		YFA	YEAR TO DATE (T I D & version)	I D A version)	
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Total Revenue	937,094	907,048	30,046	3.31%	7,466,990	7,256,408	210,582	2.90%
Marketing Expenses	2,816	999'9	(3,850)	-57.76%	24,767	53,336	(28,569)	-53.56%
Administrative Expenses	77,315	86,431	(9,116)	-10.55%	722,582	691,486	31,096	4.50%
Utilities	162,647	153,000	9,647	6.30%	1,195,089	1,224,000	(28,911)	-2.36%
Operating and Maintenance	240,084	204,627	35,457	17.33%	2,096,234	1,637,092	459,142	28.05%
Taxes and Insurance	46,797	39,598	7,199	18.18%	354,923	316,808	38,115	12.03%
Asset Mangement Fee		. •	•	0.00%	9,342	. '	9,342	%00.0
Base Rent	52,734	52,251	483	0.92%	421,869	418,009	3,860	0.92%
Reserves		11,560	(11,560)	-100.00%		92,480	(92,480)	-100.00%
Replacement (excl. anticipated draw)	122,893	68,749	54,144	78.76%	1,160,531	550,004	610,527	111.00%
Total Expenses	705,285	622,882	82,403	13.23%	5,985,338	4,983,215	1,002,123	20.11%
Available for Distribution	231,809	284,166	(52,357)	-18.42%	1,481,652	2,273,193	(791,541)	-34.82%
Available for Distribution	231,809	284,166	(52,357)	-18.42%	1,481,652	2,273,193	(791,541)	-34.82%
Пра	220,219	269,947	(49,739)	-18.45%	1,407,569	2,159,576	(751,964)	-34.82%
JSCo	11,590	14,207	(2,618)	-18.42%	74,083	113,665	(39,577)	-34.82%
TIDA % Rent Payback Net Disbursed as percentage rent to TIDA	(9,378.00)	(9,378.00) 2010 Audit Disbursement Reduction 10,841.00	rsement Reduc	tion				

COUNTY C	The month of the second	GIO C	200	The second second	000	The same of
National Operations Oct National Contract Glocks Rein Potential (4.168) 7.170898 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089 7.17089		2014	2014	2014	2015	2015
Action represents Acti		Oct	Nov	Dec	Jan	Feb
Acardicia Acadicia Acardicia Acadicia Acadicia Acadicia Acadicia Acadicia		The same of the sa	-		-	
Informer	The second secon	1,170,991	1,169,630	1,173,930	1,171,107	1,162,403
Check Revenue 168		(241,561)	(240,797)	(250,150)	(240,653)	(227,518)
Advantage Adva		168	154	152	158	156
Net Revenue 93,477 95,47						
Adventising/Marketing Adventising Adventising/Marketing Adventising Advent		3,472	2,345	2,234	5,341	2,053
Adventising/Marketing Adventising/Marketing Credit Reports Office Salatives Office Salatives Office Salatives Office Salatives Staff Units Austragent/Supples Staff Units Staff Answering Service Staff Units Audit Feedbookkeeping Staff Answering Service Onliection Loss Staff Units Service Onliection Loss Staff Answering Service Onliection Loss Subtotal: Administrative Expenses On PETATIVA AND MAINTENANCE Subtotal: Unities Navy CAM Charge Operation/Maintenance Roaf Flee Unit 4,280 Fire Administration Repairs Operation/Maintenance Onliection Loss Security Contract Augit Security Contract Augit Security Contract Countract Contract Augit Security Contract Augit S			700100	950,100	306,606	90, 708
Avertein polydarketling Credit Reports Office Stateries Management Fee Interporary Services Management Fee Management Fee Management Fee Interporary Services Interporary Services Management Fee Interporary Services Interporary Servi	ES					
Office Statistics 14 Office Statistics 14.0 Office Statistics 3.133 Management Fee 2.7,867 Temporary Services 3.022 Staff Units 2.8990 Lead Manager/Supervisor 2.8990 Audit FeedBookkeeping 1.474 Collection Loss 1.474 Collection Loss (1.616) Miseage/Travel 2.81 Seminast Training 9.33 Remediation Expenses (1.400) Remediation Expenses 1.400 UTILITIES 2.8242 Operation Anniestative Expenses 1.400 Subtotal: Utilities 3.40 Operation Anniestative Expenses 1.400 Operation Anniestative Expenses 1.400 Subtotal: Utilities 3.40 Operation Anniestative Expenses 1.400 Operation Anniestation Expenses 1.400 Operation Anniestation Expenses 1.400 Operation Anniestation Expenses 1.400 Operation Anniestation Expenses 1.400				,		,
18.70 17.7		14	28	,	42	14
Management Fee 27,837 Imporary Services 2,890 Imporary Services 2,890 Sizef Units 2,890 Audi FeedBookkeeping 2,890 MileagoTravel 2,890 MileagoTravel 2,890 Aministrative Expenses 2,890 Computer Change 2,890 Computer Change 2,890 Aministrative Expenses 2,890 Aministrative Expense 2,890 Aministrative		18,101	17,853	26,706	18,950	17,935
Temporary Services		3,133	4,689	4,239	3,555	2.470
Important Services		27,587	27,484	27,502	29,445	26,920
Mainteger/Duervisor				_		
Staff Units		3,022	11,598	9,805	8,132	7,385
Lugal Mediation Expenses		2,950	2,950	2,950	2,950	2,950
Tell& Answering Service		1,810	5,120	6,328	1,369	6,332
Collection Loss Compared Charles Collection Charles Col			,	•	2,072	•
Misc. Admin. Expenses (i) Misc. Admin. Expenses (i) SindeagorTravel (i) Seminars/Training (ii) Seminars/Training (ii) Seminars/Training (iii) Seminars/Training (iii) Subtolar: Administrative Expenses (i) Subtolar: Supplies (i) Subtolar: Supplies (i) Security Contract & Bud Bugs (i) Security Contract & (i) Security Contract & (i) Security Contract & (i) Sepairs Contract & (i) Subtolar Maintenance Payroll & (i) Repairs Material & (i) Subtolar Maintenance & (ii) Subtolar Maintenance & (ii) Subtolar Maintenance & (ii) Subtolar Maintenance & (iii) Subtolar Maintenance & (iiii) Subtolar Maintenance & (iiii) Subtolar Maintenance & (iiii) Subtolar Maintenance & (iiiii) Subtolar Maintenance & (iiiiiiii) Subtolar Maintenance & (iiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiii		1,474	1,386	1,525	1,726	1,868
Miles Administrative Expenses 101 Miles Administrative Expenses 101 Computer Charges 14,000 Subtotal: Administrative Expenses 14,000 Subtotal: Administrative Expenses 14,000 UTILITIES 1,000 Subtotal: Utilities 1,000 Administrative Expenses 1,000 Administrative Expenses 1,000 Administrative Expenses 1,000 Administrative Expenses 1,000 Contract Charges 1,000 Contract Charact Charges 1,000 Contract Charges 1,000 Contract C		(516)	1	28,734	,	10,128
MideagoTravel 281 MideagoTravel 281 MideagoTravel 281 Computer Charges 393 Computer Charges 1,400 Subclast : Administrative Expenses 1,400 UTILITIES Subclast : Utilities 1,42,613 Navy CAM Charge 28,242 Janking Supplies 2,605 Operatrinko AND MAINTENANCE 340 Operatrinko AND MAINTENANCE 3,600 Operatrinko AND MAINTENANCE 3,600 Operatrinko AND MAINTENANCE 3,600 Contract Cleaning 2,605 Operatrinko AND MAINTENANCE 2,605 Contract Cleaning 3,600 Contract Contract 3,600 Contr		101	792	81	1	1,149
SeminaryTraining SeminaryTraining SeminaryTraining SeminaryTraining SeminaryTraining SeminaryTraining SeminaryTraining Subtotal: Utilities 1400 Subtotal: Utilities 1400 Subtotal: Utilities 1400 Seminary		281	222	226	211	263
Computer Contract Computer Contract Computer Contract Contract Contract Cont		'	413	'	,	•
Authorities		933	3,580	2,660	5,627	2,717
Subtolal: Utilities		1,400	6,393	1	6,542	,
UTILITIES Subbola: Utilities Navy CAM Charge OPERATING AND MAINTENANCE Januforial Supplies Authorities Januforial Supplies Authorities Operation/Maintenance Rant Free Unit Security Contract Security Supplies Fire Akam Expenses Tree Maintenance Payolis Repairs Contract Countract Countract Security Supplies Fire Akam Expenses Tree Maintenance Countract Countract Countract Security Supplies Fire Akam Expenses Tree Maintenance Countract	lenses	60,289	82,508	113,757	80,620	80,131
Navy CAM Charge 28.242 OPERATING AND MAINTENANCE 28.242 Jahrionial Supplier 340 Contract Cleaning 1,005 Operation/Maintenance Rent Free Unit 1,005 Rubbis Removal 30,081 Security Contract 2,855 Operation/Maintenance Rent Free Unit 1,005 Security Supplies 4,281 Fire Akam Expenses 1,291 Tree Maintenance 30,087 Gounds Contract 30,097 Repairs Contract 3,097 Repairs Contract 4,290 Pumbling Maintenance 2,075 Electric Maintenance 5,007 Electric Maintenance 5,007 Heating and Cooling 4,230 Appliance Repairs 4,230 Appliance Repairs 4,230		140 643	140 027	440 077	474	000
Navy CAM Charge 28.242 24.242 2		20,27	172,241	117,241	014,410	102,047
Detectating AND MAINTENANCE 340 Detectating Supplies 1,000		28,242	28,242	28,242	28,242	28,242
Authorial Supplies 340 Confract Cleaning 1,000 Operation/Maintenance Rent Free Unit 1,000 Security Contract 30,001 Security Supplies 1,291 Tree Maintenance 30,007 Countract Contract 30,007 Countract Contract 1,000 Countract Contract 3,007 Contract Contract 3,007 C	VANCE					
Oxfortext Cleaning 1,000 Oxfortext Cleaning 1,000 Operation/Maintenance Rent Free Unit 1,906 Rubbis Removal 1,906 Rubbis Removal 30,881 Security Contract 42,815 Fire Adam Expenses 1,281 Fire Adam Expenses 1,281 Grounds Contract 39,097 Repairs Malerial 2,887 Repairs Malerial 2,287 Repairs Contract 4,280 Purmbing Maintenance 2,207 Electric Maintenance 5,008 Adam Alexand 4,280 Alexand Alexand 4,280 Alexand Alexand 5,008 Alexand Alexand 4,280		340	812	1,352	,	791
Mean Feat Supple Source & Bed Bugs 2,955 Rubbish Removal 1,906 Rubbish Removal 30,811 Security Contract 30,881 Security Supplies 1,291 Tree Maintenance 1,291 Grounds Contract 39,097 Maintenance 39,097 Repairs Material 2,987 Pumbing Maintenance 2,2075 Electric Maintenance 5,008 Heating and Cooling 4,230 Appliance Repairs 4,230 Appliance Repairs 4,223		1,060	1,230	930	1,300	1,410
Ubbis Removal Question/Maintenance Rent Free Unit 1,905 Security Contract 3,931 Security Contract 4,231 Security Supplies 1,291 Free Alaminatione 1,291 Grounds Contract 39,097 Grounds Contract 2,937 Repairs Contract 2,937 Purmbing Maintenance 2,075 Electric Maintenance 5,008 Appliance Repairs Appliance Repa	Bugs	2,955	10,680	5,975	2,490	1,260
Subbish Removal 30,881 20,881 20,881 20,881 20,881 20,881 20,881 20,881 20,881 20,881 20,881 20,881 20,981 2	t Free Unit	1,905	1,905	1,905	1,924	2,300
Security Supplies Security Supplies Fire Alarm Expenses Tree Maintenance Grounds Contract Grounds Contract Repairs Mattenance Fire Payoll Repairs Contract Furth Maintenance Electric Maintenance Space Electric Maintenance Space Space Furth Maintenance Space Space Space Furth Maintenance Space S		30,881	31,442	26,323	42,783	31,246
Security Supplies 1.291		42,815	27,351	27,399	29,390	18,621
Tire Alam Expenses 1,291			4,932		٠	,
Crowdic Contract 29,097 Crowdic Contract Crowdic Crowdic Contract Crowdic Crowdic Contract Crowdic Crow		1,291			,	,
Gound's Contract 39,997 Maintenance Payroll 18,687 Repairs Material 29,887 Repairs Material 29,887 Pumbing Maintenance 2,008 Electric Maintenance 5,008 Heating and Cooling 4,290 Appliance Repairs 4,223 Appliance Repairs 4,223					•	
Maintenance Payol 18,659 Rapairs Material 2,887 Rapairs Contract 2,207 Purmbing Maintenance 2,207 Electric Maintenance 5,008 Appliance Repairs 4,239 Appliance Repairs 4,230 Appliance Repairs 4,231		39,097	39,097	41,325	39,097	39,097
Repairs Material Repairs Contract Repairs Repair		18,658	18,481	22,425	18,304	18,509
Repairs Contract 4230 Plumbing Maintenance 22076 Electric Maintenance 5.008 Hasting and Cooling 4233 Appliance Repairs 412		29,887	57,240	43,438	58,343	30,304
Plumbing Maintenance 22,075 1908 1909		4,290	(4,324)	29,559	(22,999)	53,257
Electric Maintenance 5,008 Heating and Cooling 4,923 Appliance Repairs 412	_	22,075	11,998	36,160	(2,113)	4,679
Heating and Cooling 4,923 Appliance Repairs 412		5,008	7,820	3,767	(21,901)	1,411
Appliance Repairs		4,923	2,720	11,390	2,233	890
		412		•		,
6560&65(Painting and Decorating Supply & Contracts 1,880 3	oply & Contracts	1,880	3,244	٠	1,295	3,882

% Rent	% Rent Allocation	Draw 1	Draw 2	Draw 3	Draw 4	Draw 5	Average
Units re	Units ready for occupancy at Beginning of month	519	519	519	517	517	
Aggrega	Aggregate Units Leased and Occupied during month	425	424	,424	420	435	426
		2014	2014	2014	2015	2015	
		Oct	Nov	Dec	Jan	Feb	
6570	Vehicle Lease	1,925	16,248	952	1,976	2,613	
6590	Misc. Oper and Maintenance	3,855	2,000	2,000	7,014	1,161	
6573	Uniform/Laundry Service	1	238	447	75	410	
6574	Repairs contract Other	53,165	29,397	32,262	33,277	1	
9629	Fire Damage Costs						
7230	Interior Replacement (eligible for RR Draw)	85,402	60,760	156,975	51,689	42,344	_
7220	Appliance Replacement (eligible for RR Draw)	18,673		3,360	7.408	16,192	
7260	Relocation Expense						
7240	Exterior Replacement (eligible for RR Draw)	21,255	23,763	52,138	107,487	64,357	
	Subtotal: Operating and Maintenance	391,754	350,033	503,083	359,073	334,735	
6700	TAXES/INSURANCE						
6710	Taxes - Real Estate						
6711	Payml Taxes	3 725	4.344	6 634	6 691	4 586	
6700	Miec I icoses/Pormite	,					_
0220	Misc Elections of the Control of the		00000	000	127 00	, ,,,	
07.50	Property Insurance (inc.insurance Claims and YID adj)	21,275	52,006	22,503	22,171	22,171	
6802	Insurance Claims Expense	1	,	,	•	1	
6841	Interest on secuirty deposit	•	•	1	•	1	
6721	Fidelity Bond	201	201	201	201	201	_
6722	Workers Compensation	3,350	3,939	4,354	3,804	4,041	
6723		5,749	5,749	5,749	5,664	5,668	
6723-0	10 401(K) Matching Contriution estimate	610	610	610	1	1,220	
6710	Possessory Interest Tax	8,910	8,910	8,910	8,910	8,910	
7137	Asses Management Fee (5% GL 6574 reimb per TIDA)	,	•	1	,	,	
7140	Base Rent Payment	52,734	52,734	52,734	52,734	52,734	52,734
	Subtotal: Taxes/Insurance	96,553	98,492	101,694	100,175	99,531	
							_
0069	Community Center	•		7,500	1	•	
6991	Recreation Salaries	•	329		•	,	_
6992	Recreation Supplies	795	,	,	,	,	
	Subtotal: Services	262	328	7,500	•	•	
TOTAL	TOTAL OPERATING EXPENSES	720,246	701,911	896,553	742,526	705,285	
Less Reserves	serves	•	•		•	,	_
TOTAL	TOTAL EXPENSES	720,246	701,911	896,553	742,526	705,285	
Total Ex	Fotal Expenses Net of Environmental	720,246	701,911	896,553	742,526	705,285	
		-	-		1	-	

Le treats of the contract of	Acres -			A	-	- commont
Units ready for occupancy at Beginning of month	519	519	519		517	-
Aggregate Units Leased and Occupied during month	425	424	424	420	1500	428
	2014	2014	2014	2015	2015	
	Oct	Nov	Dec	Jan	Feb	
DISBURSEMENT OF REVENUES	Actual	Actual	Actual	Actual	Actual	
Total Gross Rent Potential	1,170,991	1,169,630	1,173,930	1,171,107	1,162,403 1,169,612	1,169,612
Total Net Revenue	933,070	931,332	926,166	935,952	937,094	932,723
Less Base Rent	(52,734)	(52,734)	(52,734)	(52,734)	(52,734)	(52,734)
Less Operating Expenses	(611,683)	(593,451)	(788,076)	(632,105)	(597,390)	
Less CAM Charge	(28,242)	(28,242)	(28,242)	(28,242)	(28,242)	
Less Replacement Reserve Funding	1	,	,		,	
Management Fee	(27,587)	(27,484)	(27,502)	(29,445)	(26,920)	(27,787)
Less Marketing Fee	•	•	•	•	,	
Addback int security deposits						
Total Operating Expenses	(720,246)	(701,911)	(896,553)	(742,526)	(705,285)	
Revenues Net of Operating Expenses	212,824	229,421	29,613	193,426	231,809	
Revenues Remaining for Distribution in Percentage Rent	212,824	229,421	29,613	193,426	231,809	
TIDA Share of Revenues (Percentage Rent)	(202,182)	(217,950)	(28,132)	(183,755)	(220,219)	(170,448)
JSCo Share of Revenues (Percentage Rent)	(10,642)	(11,471)	(1,481)	(9,671)	(11,590)	(8,971)
Total Percentage Rent Disbursed	(212,824)	(229,421)	(29,613)	(193,426)	(4)	
Ending Balance Gross Revenues	0	0	0	0	(0)	



Treasure Island Development Authority Subleases and Permits Executed Pursuant To Leasing Policy As of April 3, 2015

Location / Facility	No.	Status (new / expired)	Company Name / Prospective Subtenant	Start Date	Leasehold Type	Sq. Ft.	Annual Rent
Building 157	933	New	SF Collateral Agency, Inc	4/15/15	Office/Storage	PA:1,800 PB:2,000 PC:1,950 PD:5,000	\$57,300.00
Building 202	953	New	Bay Tires NW, Inc	4/1/15	Office/Storage	PA: 15,000 PB: 3,000	\$48,000.00
Great Lawn	P-943	New	Square, Inc.	8/14/15	Event	N/A	\$2,750.00
Hangar 3 Lot, etc.	P-945	New	Hartmann Studios, Inc.	9/14/15	Event	N/A	\$85,873.00
Great Lawn	P-946	New	Bo Mohazzabi	8/8/15	Event	N/A	\$5,000.00
Avenue N	P-947	New	OSK Marketing & Communications, Inc	3/14/15	Photo	N/A	\$1,000.00
Avenue of the Palms	P-948	New	Spontaneous Productions, LTD	3/22/14	Film	N/A	\$1,000.00
Shapel Lot	P-949	New	PG&E, Inc.	5/13/15	Photo	N/A	\$1,500.00
Avenue of the Palms	P-950	New	Venables Bell & Partners LLC.	3/12/15	Film	N/A	\$1,000.00
Great Lawn, Lots	P-951	New	Bigsley Event House, LLC	8/15/15	Event	N/A	\$7,125.00
Building 1	P-952	New	Turner North Center Productions, Inc	3/26/15	Film	N/A	\$7,500.00
Various Locations	P-957	New	Michael Hoff Productions, Inc	9/6/15	Film	N/A	\$500.00
Casa de la Vista	E-114	New	Karen Wong	5/15/15	Event	N/A	\$5,000.00
Fogwatch	E-115	New	Sol Rouge, LLC	3/14/15	Event	N/A	\$500.00
Chapel	E-120	New	Jasper Chen	6/27/15	Event	N/A	\$1,200.00
Chapel	E-121	New	Israel Navarrete	10/3/15	Event	N/A	\$1,200.00
Casa de la Vista	E-122	New	Events Management Inc.	8/30/15	Event	N/A	\$5,000.00
Casa de la Vista, Chapel	E-123	New	Sol Rouge, LLC	11/7/15	Event	N/A	\$6,200.00



CITY & COUNTY OF SAN FRANCISCO

MIRIAN SAEZ DIRECTOR OF ISLAND OPERATIONS

TREASURE ISLAND DEVELOPMENT AUTHORITY

ONE AVENUE OF THE PALMS
BLDG. ONE, 2°° FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299 WWW.SFTREASUREISLAND.ORG

> To: Treasure Island Development Authority Board of Directors

Bob Beck, Treasure Island Director From:

April 3, 2015 Date:

Use Permit and Film Permit Waivers Re:

Fee Waivers:

SFFD, training March 22, March 30-April 3, 2015

US Navy, meeting- March 11, 2015

Treasure Island Museum Association, meeting- March 21, 2015

Academy of Arts University, Student Film Projects- March 7, 8, 17-19, 31, 2015



March 2015 Treasure Island Crime Statistics Provided by Officer J. O'Keeffe #681 on behalf of Captain DeFilippo, Southern Station



Occ. Date	Case #	Location	Incident Type	Comments
3-Mar-15	150-194-799	1226 Bayside Dr	Missing Juvenile	Juvenile never returned home from school. Juvenile returned home on 03/03/15.
5-Mar-15	150-200-738	1205 Bayside Dr	Warrant Arrest	Suspect was stopped during a burglary investigation. Suspect was booked at County Jail for an outstanding warrant.
5-Mar-15	150-201-883	275 California Ave	Missing Juvenile	Job Corp reported a missing juvenile.
7-Mar-15	150-211-183	620 Avenue I	Graffiti	Several vehicles were tagged with graffiti.
11-Mar-05	150-220-269	275 California Ave	Missing Juvenile	Job Corp reported a missing juvenile.
13-Mar-15	150-233-256	275 California Ave	Missing Juvenile	Job Corp reported a missing juvenile. Juvenile returned 3/18
15-Mar-14	150-231-329	1314 Gateview Ave	Found Property	Reportee turned in suspected narcotics to Officers. Reportee located the narcotics in a roommate's closet.
19-Mar-15	150-243-982	1 Avenue of the Palms	Battery	Officers stoped an auto boost suspect. While attempting to place the supect into custody the suspect battered an officer.
19-Mar-15	150-244-322	1314 Gateview Ave	Battery	Battery between two roommate.
23-Mar-15	150-255-454	275 California Ave	Missing Juvenile	Job Corp reported a missing juvenile.
24-Mar-15	150-260-328	180 California Ave	Auto Boost	Book bag boosted out f a vehicle.
24-Mar-15	150-260-334	180 California Ave	Auto Boost	Personal items boosted from a vehicle.
25-Mar-15	150-262-750	1412 Flounder Ct	Domestic Violence	Domestic Violence Dispute
25-Mar-15	150-265-964	1435 Halibut Ct	Missing Adult	Elderly adult reported missing.
26-Mar-15	150-269-900	1 Avenue of the Palms	Theft of Property	PUC reported several items to light fixtures had been taken.
28-Mar-15	150-273-01	1443 Chinook Ct	Battery	Physical argument between neighbors.
29-Mar-15	150-276-290	1408 Sturgeon St	Warrant Arrest	Suspect was arrested for a warrant.
30-Mar-15	150-282-128	1206 Mariner Dr	Suspicious Occurrence	Unknown suspect removed the screen of a sliding door.
30-Mar-15	150-279-078	1 Avenue of the Palms	Auto Boost	Personal items boosted from a vehicle.
31-Mar-15	150-281-863	850 4th St	Theft of Property	Compressor taken from outside a building.
				. 100
		LEGEND:	 (V) = Victim (S) = Suspec	 ct (I) = Juvenile



CALIFORNIA STATE LANDS COMMISSION



GAVIN NEWSOM, LIEUTENANT GOVERNOR, CHAIR
BETTY T. YEE, STATE CONTROLLER, MEMBER
MICHAEL COHEN, DIRECTOR OF DEPARTMENT OF FINANCE, MEMBER

SPECIAL MEETING

AGENDA

MARCH 20, 2015

CALIFORNIA STATE LANDS COMMISSION MAIN CONFERENCE ROOM 100 HOWE AVENUE, SUITE 100 SOUTH SACRAMENTO, CALIFORNIA 95825

1:00 P.M.



CALIFORNIA STATE LANDS COMMISSION MEETING PROCEDURES:

SPEAKER SIGN-UP AND TIME LIMITS

Anyone wishing to address the Commission must fill out a "Request to Speak" form. Forms are available at a reception table near the entrance to the meeting. When you are called to speak, please identify yourself and your affiliation for the record. Generally, each speaker will be allowed 3 minutes to speak; however, the Chair may set different time limits.

ACCESS TO MEETINGS

If you need reasonable accommodation to conduct business with the Commission for a disability, as defined by the Federal Americans with Disabilities Act and the California Fair Employment and Housing Act, please contact the Commission at (916) 574-1800 in advance to arrange for such accommodation.

SIGN LANGUAGE INTERPRETER

A sign language interpreter will be provided upon advance notification of need by a deaf or hearing impaired person. Please contact the Commission at (916) 574-1800 in advance to arrange for an interpreter.

STAFF REPORTS AND EXHIBITS

A written staff report is available for most items on this agenda. Please note that staff reports are posted as soon as available on the Commission's website at www.sic.ca.gov. The staff report and exhibits may be reviewed and downloaded. Past meetings, including staff reports and exhibits, transcripts, and webcasts, may also be viewed on the Commission's website.

SUBMISSION OF WRITTEN MATERIALS

Written materials should be submitted to the Commission no later than three business days before the meeting. Please Note: You are discouraged from submitting written materials to the Commission on the day of the meeting, unless they are visual aids as it is difficult for Commissioners to thoroughly consider late submittals. No facsimiles, texts or emails will be accepted at the meeting site. All non-procedural communications become part of the record. Written materials may be submitted to: <u>CSLC.commissionmeetings@slc.ca.gov</u> or 100 Howe Avenue, Suite 100 South, Sacramento, CA 95825.

VISUAL PRESENTATIONS/MATERIALS

Visual presentations/materials must be accompanied by a USB flash drive, flash memory card, or compact disk and must be PC compatible. It is recommended that a hard copy of any electronic presentation be submitted in case of technical difficulties. A slide projector and laptop will be available from our audio-visual technician, and they can assist you in its use. All written materials exhibited to the Commission during the meeting (presentations, maps, etc.) are part of the public record and are kept by the Commission.

NOTIFICATION OF MEETINGS AND AGENDAS

If you would like to receive electronic notification of Commission meetings, please visit our website at www.slc.ca.gov and go to the link under "Commission Meetings" to subscribe.

ABBREVIATIONS AND ACRONYMS

- A and S references are to Assembly and Senate districts
- CEQA California Environmental Quality Act



ORDER OF BUSINESS

- I. 1:00 P.M. OPEN SESSION
- II. CONFIRMATION OF MINUTES FOR THE REGULAR MEETING OF FEBRUARY 20, 2015
- III. EXECUTIVE OFFICER'S REPORT
- IV. CONSENT CALENDAR NO ITEMS
- V. INFORMATIONAL NO ITEMS
- VI. REGULAR CALENDAR
 - 01 TESORO REFINING & MARKETING COMPANY LLC (APPLICANT): Consider certification of a Final Environmental Impact Report (State Clearinghouse No. 2014042013); adoption of Findings, Statement of Overriding Considerations, and Mitigation Monitoring Program; and application for a General Lease Industrial Use, of sovereign land located in the Carquinez Strait, near the city of Martinez, Contra Costa County; for the continued operation and maintenance of an existing marine oil terminal wharf, periodic maintenance dredging, and for Marine Oil Terminal Engineering and Maintenance Standards compliance-related renovations. (PRC 3454.1: RA# 01411) (A 14: S 7) (Staff: K. Foster, S. Mongano, J. Fabel)
- VII. PUBLIC COMMENT
- VIII. COMMISSIONERS' COMMENTS
- IX. CLOSED SESSION: AT ANY TIME DURING THE MEETING THE COMMISSION MAY MEET IN A SESSION CLOSED TO THE PUBLIC TO CONSIDER THE FOLLOWING PURSUANT TO GOVERNMENT CODE SECTION 11126:
 - A. LITIGATION.

THE COMMISSION MAY CONSIDER PENDING AND POSSIBLE LITIGATION PURSUANT TO THE CONFIDENTIALITY OF ATTORNEY-CLIENT COMMUNICATIONS AND PRIVILEGES PROVIDED FOR IN GOVERNMENT CODE SECTION 11126(e).

 THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(A):

California State Lands Commission v. City and County of San Francisco

Defend Our Waterfront v. California State Lands Commission et al.

Seacliff Beach Colony Homeowners Association v. State of California et al.

The Melton Bacon and Katherine L. Bacon Family Trust et al. v. California State Lands Commission, City of Huntington Beach

SLPR, LLC et al. v. San Diego Unified Port District, State Lands



Commission

San Francisco Baykeeper v. State Lands Commission

Keith Goddard v. State of California

Sportsman's Paradise v. California State Lands Commission

California State Lands Commission v. Lee Stearn

2. THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(B) or (2)(C).

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS.

THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(c)(7) – TO PROVIDE DIRECTIONS TO ITS NEGOTIATORS REGARDING PRICE AND TERMS FOR LEASING OF REAL PROPERTY.

 Provide instructions to negotiators regarding entering into a new lease of state land for the Broad Beach Restoration Project, City of Malibu, Los Angeles County. Negotiating parties: Broad Beach Geologic Hazard Abatement District, State Lands Commission; Under negotiation: price and terms.

C. OTHER MATTERS

THE COMMISSION MAY CONSIDER MATTERS THAT FALL UNDER GOVERNMENT CODE SECTION 11126(e)(2)(B) or (2)(C). THE COMMISSION MAY ALSO CONSIDER PERSONNEL ACTIONS TO APPOINT, EMPLOY, OR DISMISS A PUBLIC EMPLOYEE AS PROVIDED IN GOVERNMENT CODE SECTION 11126(a)(1).



CITY & COUNTY OF SAN FRANCISCO
TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
2^{NO} FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFTREASUREISLAND.ORG

Roll Call



Treasure Island/Yerba Buena Island Citizens Advisory Board Meeting Agenda

> Tuesday, April 7, 2015 6:00-8:00 PM

San Francisco City Hall, Rm 421 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

For further information about the meeting please contact Kate Austin at (415) 274-0646

1.	Roll Call
II.	Approval of March 3, 2015 CAB Minutes (Action Item)
III.	TIDA Staff Updates (Information Item) - 10 min a) Treasure Island Development Authority Board b) Legislative c) Development Schedule d) Navy Environmental Program
	d) Travy Environmental Program
IV.	Major Phase 1 Application Update (TICD) (Discussion Item) - 40 minutes a) Intermodal Transit Hub / Waterfront Plaza Design Revisions 1. Bicycle Circulation 2. Transit Passenger Loading
V.	Future Agenda Items (Action Item) - 5 min
VI.	Announcements from Board members - 5 min
VII.	Public Comments - 10 min
VIII.	Adjourn

If you would like to receive TICAB meeting agendas by e-mail, please send your name and e-mail address to kate.austin@sfgov.org.

Disability Access

The Treasure/Yerba Buena Island Citizen Advisory Board meets in San Francisco City Hall, 1 Dr. Carlton Goodlett Place. City Hall is accessible to persons using wheelchairs, and others with disabilities. For American Sign Language interpreters or use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please telephone 274-0664 at least 48 hours before a meeting.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

The closest accessible BART is Civic Center, three blocks from the City Hall at the intersection of Market, Grove and Hyde Streets. Accessible MUNI lines serving this location are: #42 Downtown Loop, 9 San Bruno and the #71 Haight/Noriega. Accessible Muni Metro lines are J, K, L, M and N stopping at the Muni Metro Civic Center Station at Market and Van Ness. For more information about MUNI accessible services, call 923-6142. Accessible curbside parking is available on Grove Street.

Treasure Island Website

Check out the Treasure Island website at www.sftreasureisland.org to find out about activities and facilities on Treasure Island, special events venues for rent, or to review the Treasure Island Development Authority's agendas and minutes.

Lobbyist Ordinance

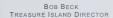
Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the San Francisco Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102, telephone (415) 252-3100, fax (415) 252-3112; web site http://www.sfgov.org/ethics/.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance [Chapter 67 of the San Francisco Administrative Code] or to report a violation of the ordinance, contact by mail Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Rm. 244, San Francisco CA 94102; phone at (415) 554-7724; fax at (415) 554-7854; or by email at soft@sfeov.org

Citizens may obtain a free copy of the Sunshine Ordinance by printing Chapter 67 of the San Francisco Administrative Code on the Internet, at http://www.sfbos.org/sunshine.





TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
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WWW.SFTREASUREISLAND.ORG

TREASURE ISLAND DEVELOPMENT AUTHORITY INFRASTRUCTURE AND TRANSPORTATION COMMITTEE MEETING AGENDA

March 24, 2015 1:00PM

Room 408, City Hall 1 Dr. Carlton B. Goodlett Place

Committee Members

Linda Fadeke Richardson (chair)

V. Fei Tsen

Mark Dunlop

Bob Beck, Treasure Island Director Kate Austin, Commission Secretary

ORDER OF BUSINESS

- 1. Call to Order and Roll Call
- 2. General Public Comment

This item is to allow members of the public to address the Treasure Island Development Authority Board Infrastructure and Transportation Committee ("ITC") on matters that are within the subject matter jurisdiction of the ITC and that do not appear on the agenda. In addition to General Public Comment, Public Comment will be held during each item on the agenda. (Discussion Item)

Estimated Length of Item: 5 minutes

3. CONSENT AGENDA (Action Items)
Estimated Length of Item: 5 minutes

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Committee and will be acted upon by a single vote of the Committee. There will be no separate discussion of these items unless a member of the Committee so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

- a. Approving the Minutes of the February 24, 2015 Meeting
- 4. Major Phase 1 Application Update (Discussion Item)
 Estimated Length of Item: 60 minutes

5. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, One Avenue of the Palms, Second Floor, Treasure Island, and the Government Information Center at the Math Library, 100 Larkin Street. Public comment is taken on each tiem on the agenda,

If any materials related to an item on this agenda have been distributed to the TIDA Board of Directors after distribution of the agenda packet, those materials are available for public inspection at Treasure Island Development Authority, Building One, 2nd Floor, One Ave. of Palms, San Francisco, CA 941130 during normal office hours.

Disability Access

The TIDA Infrastructure and Transportation Committee holds its meetings at San Francisco City Hall. City Hall is accessible to persons using wheelchairs and others with disabilities. Assistive listening devices are available upon request. Agendas are available in large print. Materials in alternative formats and/or American Sign Language interpreters will be made available upon request. Please make your request for alternative format or other accommodations to the Mayor's Office on Disability 554-6789 (V), 554 6799 (TTY) at least 72 hours prior to the meeting to help ensure availability.

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KNOW YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE (Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact: Administrator, Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at 415 554 7724; by fax at 415 554 7854; or by email at sortigals gov.org.

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from the SOTF or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, http://www.sfgov.org

AGENDA NAVAL STATION TREASURE ISLAND BRAC CLEANUP TEAM MEETING

Date: Wednesday, March 18, 2015

Time: 10:00 a.m. to 12:00 p.m.

Place: Tetra Tech, 1999 Harrison Street, Suite 500, Oakland, CA

Dial In: 866-692-5721

Meeting ID#: 0002015

Webinar link; https://global.gotomeeting.com/join/812574285 **NOTE: If this is your first webinar, please log-in 10 minutes early to

ensure your computer can sync with GoToMeeting webinars.

10.00 - 10.15Introductions, Meeting Guidelines, Agenda Review, Meeting Minutes (15 minutes) (Keith Forman / Jessica O'Sullivan) 10:15 - 10:25Site 12 Phase III NTCRA (Chris Yantos) (10 minutes)

10.25 - 10.55Site 24 Soil Gas Investigation and Sites 21 and 24 Well Repairs (Danielle (30 minutes) Janda)

10.55 - 11.00Property Transfer Update (Keith Forman / Dave Clark) (5 minutes)

11.00 - 11.20General Discussion of Radiological Issues at TI (Keith Forman / Dave (20 minutes) Clark)

11:20 - 11:30Upcoming Documents and Field Activities (Dave Clark) (10 minutes)

11:30 - 11:40Open Forum for City / Developer / BCT (10 minutes)

11:40 - 11:50Community Relations Update (Keith Forman / Tommie Jean Valmassy) (10 minutes)

11:50 - 12:00Action Item Review / Other Meetings (Keith Forman) (10 minutes)

Future BCT Meetings:

April 22, 2015, Tetra Tech Inc., Oakland, California May 20, 2015, Tetra Tech Inc., Oakland, California June 17, 2015, Tetra Tech Inc., Oakland, California







Tang Soo Do House Fun Day



FREE



March 28, 2015 @11am to 3pm, come and sign up for Karate Classes, meet the Instructors and have some fun with most of the student from the TSD class. The students and Feline Finesse Dance Company will be performing.

Free Food and drinks for all and a DJ music to dance to!

Treasure Island, 749 9th St.

YMCA SF CA, 94130

Contact: Marlene 415-822-1022

Feline Finesse

Dance Company







850 BRYANT STREET SAN FRANCISCO, CA. 94103 (415) 553-1373

Captain DeFilippo March 16, 2015

Captain's Message

February was another very busy month in the Southern District. Southern Station will be moving to the Public Safety Building near AT&T Park and will no longer be at the Hall of Justice. We are looking forward to the new location.

In the recent months, there has been an increase in pedestrian related traffic Incidents. We recently had a vehicle accident that occurred at 9th St. & Harrison St where a Pedestrian was badly injured.

I just wanted to remind everyone (pedestrians, bicyclists, and motorists) to be very cautious and conscious of traffic safety. Remember to be aware of your surroundings, always look both ways before crossing the street and obey traffic laws to help prevent accidents.

Also, in the last few months, there has been an increase in Assaults and Robberies where groups of minors (14-19 years old) attack people in the Mid Market Area. The groups generally take phones then run away. Arrests have been made, but I can't stress enough the importance of being aware of your surroundings. In some cases, the Juveniles have used force (i.e., pushed, grabbed, punched) on people who resist. Should you find yourself in an uncomfortable situation or believe someone is targeting you, call 9-1-1 or 553-0123 to report suspicious activity.

Follow us on Twitter: (a)SFPDSouthern



1251 31 ST. SAN FRANCISCO, CA 94158 (415-553-1373)

The original home of Southern Station was located at 4th & Clara Streets. After the 1906 Earthquake, Southern Station moved to its temporary location at 821 Howard St. In 1926, an elaborate Spanish Baroque style building, designed by Albert Coffey, was built to replace the original building which had been damaged in the 1906 earthquake. In 1961, Southern Station relocated to the first floor of the Hall of Justice.

On Saturday, March 28, 2015 at 0600hrs, Southern Station will relocate to the Public Safety Building at 1251 3rd St. near AT&T Park.

We hope that the transition to the new station will be smooth. Police counter reports will not be taken at 850 Bryant St. after the move; you will need to go to the new station at 1251 3rd St.. The phone number (415-553-1373) for Southern Station will remain the same.

Please, stay tuned for more information regarding the move, re-districting and the new building and Thank you for your support during the transition. If you have any questions, please call Southern Station and we will do our best to assist you.



Significant District Incidents

01/25/2015 Aggravated Assault with Knife, Arrest Made 6th St. & Natoma St.

On 01/25/15 around 1533 hours, Officers responded to a report of a stabbing that occurred on 6th Street. The call was regarding a male who was stabbed by another male 35-40 years of age about 5'08", bald head, mustache, wearing a black puffy jacket holding a black knife with a 3" blade. The suspect was last seen walking north on 6th Street from Howard.

When Officers arrived on scene, they observed a white male lying on his back on the sidewalk on 6th Street at Natoma St. The Officers called for an ambulance and noted that the victim had 5 stab wounds but was conscious and breathing. The victim did not speak and attempted several times to stand on his feet by sitting upright and using his hands to push off the ground in an attempt to stand upright. The Officers advised the victim to remain seated until medics arrived.

Once Medics were on scene they noted that the injuries sustained to the Victim were life threatening and he was being transported to SFGH for further medical treatment. Once at SFGH, Doctors found that the victim had sustained a total of 7 stab wounds, 5 to his lower left back and 2 to the lower center of his chest that were life threatening.

Meanwhile, back at the crime scene, Officers continued to search the area in an attempt to locate a suspect and video surveillance which may have captured the incident. However, no further suspect information, witnesses, investigative leads or video surveillance could be located. The case was turned over to investigators to try and locate the suspect.

On 1/29/2015 at approximately 2051 hours, plain clothes Officers in the area of 6^{th} St were notified that a suspect wanted for a stabbing incident was near 6^{th} St. and Jessie St. The officers responded to the location, found the suspect and arrested him. The Officers found the suspect in possession of multiple knives and a pair of scissors which were all booked as evidence.

01/27/2015 Battery, Trespassing, Suspicious Occurrence Treasure Island

On 01/27/15 at approximately 0700 hours, an Officer assigned to Patrol Treasure Island responded to a call regarding trespassers. Upon arriving on scene the Officer met with the reporting party who stated that he heard noise coming from the outside of the building where he works. The sound was coming from a small 8' by 6' shed that is outside the building. He saw the two suspects inside the shed and they saw him. They exited the shed and began to walk away. The reporting party followed them both and attempted to take a photo of them as they were walking away. One male suspect turned around and said "whadya doin" and pushed the victim in the chest with both hands. The suspects then kept walking away on the south side of the building. The victim did not follow the suspects any longer and could not tell the Officer where they went. Examination

of the shed revealed that there were many used condoms and condom wrappers on the floor. There is also an old couch in the shed. There was nothing of value inside the shed. There was a broken window in the shed. It did not appear freshly broken. The small opening in the glass of the window seemed too small for an arm to reach in and unlatch the window. There was no glass on the inside ledge of the window and only one fragment on the exterior of the window.

The victim stated that the window has been shattered many times in the past and that he is aware that the shed has been entered without proper authority many times. It is possible, but not probable that entry into the shed was through the small window. It appears more likely that the door to the shed was unlocked.

The victim provided the Officer with an extremely blurred photo of the suspects he captured with his cell phone.

02/15/2015 Stolen Bicycle Recovered United Nations Plaza

On 02/15/15, at approximately 2:15pm Officers patrolling the Market St corridor observed a man riding a bicycle on the sidewalk. The Officers made contact with the man and informed him that he is being cited for illegally riding on the sidewalk.

During the detention, the Officers checked the bikes serial number and were able to determine that the bike was previously reported stolen. The Officers contacted the owner of the bike who confirmed that his bike was stolen in a burglary of his residence. There was no suspect information or video surveillance of that incident which could link the man riding the bike to the burglary. The Officers proceeded to seize the bike so that it can be returned to the owner. The man riding the bike was cited for possession of stolen property.

02/04/2015 Jewelry Store Armed Robbery, Under Investigation 5th St & Market St.

On 02/04/15, at approximately 3:00pm Officers responded to an armed robbery in progress at 5th St. and Market St.. Dispatch advised that three unknown men all in jump suits, armed with guns had just robbed the jewelry store.

Upon arriving on scene, store employees informed the Officers that the three suspects had just fled through the mall out to Mission St. where they jumped into a vehicle.

The information was immediately broadcasted out to Southern Patrol district officers. Meanwhile, at the store, Officers proceeded to interview those who were in the store at the time of the robbery.

The general account of what occurred based on the witnesses was that three unknown suspects described all as male adults in their late 30's entered with guns and ordered employee's to the ground. One suspects tood at the door with his gun held at waist level watching over the store while two other suspects walked over to a display case located at the front right corner of the store and demanded and employee to open the case. When the employee told the suspects that he did not have a key, the suspects forced their way behind the counter and located keys which opened the case.

Approximately 30 rings valued at approximately \$600,000 were put into a sack by the suspects before they ran out. The Officers were unable to get a good description of the suspects since they were wearing masks and acted quickly. No one was injured during the incident.

Southern Station investigators arrived on scene and located surveillance footage to attempt to identify and locate the suspects. The case is under investigation.

02/09/2015 Robbery with Force, Stolen Bicycle. Bicycle Recovered 7th St & Market St.

On 02/09/2015 at 1:45pm, Offices responded to the area of Market Street and 7th Street regarding a theft of a bicycle. The reporting party, called stating an unknown male took his bicycle and was last seen riding off eastbound Market Street.

Upon arriving on scene, the Officers searched the last direction of travel for the suspect and bicycle with negative results. The Officers met with the reporting party who told them he was at the bus stop located just north of Market Street on the east side of 7th Street sitting down, when the suspect approached him.

The victim told the Officers that he was sitting down on the sidewalk with his bicycle behind him leaned up against the wall. When the suspect approached him, the victim did not know which direction the suspect came from because he was looking down at his phone. The victim said he felt someone push him forward and simultaneously grabbed his bicycle from behind him.

When the victim got up from off the ground, the suspect punched on his left arm and jumped on his bicycle and began riding away. The victim said he chased after the suspect as he went eastbound on Market Street but was unable to keep up.

The victim told Officers he was not injured and refused all medical attention. The victim stated that he would not be able to recognize the suspect because he did not get a good look at his face. The victim described as a black male, in his thirties, approximately six feet tall, wearing a black jacket and black pants. The officers were unable to locate any cameras in the area of where the incident occurred.

Another patrol unit heard the call for service regarding a robbery that occurred in the area of 7th/Market St. Dispatch advised that the suspect was a black male, wearing a black jacket and black jeans. Dispatch also advised that a green, Trek, 27 speed bicycle, with green bar extensions on the handle bars was taken.

At approximately 3:30pm, Officers observed a black male, walking northbound on 6th St towards Market St. The Officers noticed that the man was walking a bicycle which matched the bicycle that was stolen in a robbery earlier in the day.

The officers detained the subject and called the unit who responded earlier and met with the victim, to meet them and attempt to Identify the detained suspect. The victim was also contacted and asked to assist in identifying the suspect but he informed Officers that he was not available. The victim, however, provided the Officers with a description of the bicycle which was an exact match the bike the detained suspect had in his possession.

The Officers seized the bicycle and cited the suspect for possession of stolen property. The suspect was not

arrested as he did not match the original suspect description of the suspect who robbed the victim. The bike was returned to the owner

02/01/2015 Vehicle Burglary, Arrest Made. 7th St & Market St.

On 02/01/2015 at approximately 1:40am, Officers responded to 10th Street on a report a possible vehicle burglary.

The suspect was described as a White male, wearing dark clothing on a bike and was last seen southbound 10th Street. The possible victim vehicle description was a red camry. The Officers searched the area for the possible vehicle burglary suspect and saw a male riding a bicycle on the sidewalk on Harrison Street stop and look into the left side window of a parked vehicle.

The officers detained the male, for riding the bicycle on the sidewalk and possibly matching the description of the Car burglar. Upon detaining the suspect, the Officers noticed that the suspect had glass residue on the jacket he was wearing both on the right side and on the back and saw a black flashlight sticking out from his right front pocket of his jacket.

After checking the Suspects record, they placed him under arrest for outstanding traffic warrants.

The 911 caller who initially reported the possible vehicle burglary on 10th and Harrison Streets met with the Officers and stated, "you caught him". The witness positively identified the Suspect as the person who he saw looking into the parked vehicle in the area of 10th and Harrison Streets using a flashlight before calling police.

The Officers then went with the witness to locate the vehicle that was possibly burglarized by the suspect. A red Toyota Corolla parked on 10th Street near Harrison Street was found with the right rear window broken. With the scene of the crime determined and the suspect under arrest, the Officers proceeded to conduct an arrest search where they found spark plugs and a window puncher on the suspect. The Officers also found suspected Marijuana and baggies of suspected Methamphetamine on the suspect, as well as a wallet with a social security card that did not belong to the suspect.

Community Meetings

Typically held every 3rd Wednesday of the Month at 6:00pm (subject to change)

When: Wednesday, March 18, 2015, 6:00 pm

Where: Pier 40 - South Beach Harbor Services Building - Community Room



311 Customer Service Center:

What is 311?

311 is a toll free, NON-EMERGENCY phone number that the public can call to access information about government services. A live customer service representative will be available 24 hours a day, seven days a week, and 365 days a year. The service is available to both wired and wireless customers. Wireless customers should call (415) 701-2311. 311 employees will be able to provide translations services in more than 145 languages and dialects and will employ a diverse staff of customer service representatives. Additionally, 311 are set up to accept calls from the hearing impaired by utilizing a TTY System.

*311 will also take police reports if you DO NOT have any suspect description and the crime is not in progress. After meeting these conditions these are the reports 311 will take: Harassing phone calls, vehicle break in, vehicle tampering, lost property, theft, and vandalism/graffiti reports.

COMMUNITY INVOLVEMENT OPPORTUNITIES

SF NERT Program

The San Francisco Neighborhood Emergency Response Team (NERT) is free training from the San Francisco Fire Department in how to help yourself and your neighbors prepare for and respond to a disaster by working together. The 20-hour training includes personal preparedness, light search and rescue, disaster medicine, shutting off your utilities, and how to participate as a member of a neighborhood response team. NERT also offers continuing training for graduates and activities that support building robust neighborhood teams. For more information, visit the NERT website at http://sfgov.org/sffdnert, or contact Lt. Erica Arteseros at (415) 970-2022 or sffdnert@sfgov.org.

Community Resources/Information

> South of Market neighborhood preparedness: http://southbeachsafetv.com/

Focus on the 5

The following 5 violations of the California Vehicle Code are the leading cause of vehicle collisions, pedestrian injuries and death

- · SPEEDING
- · FAILLIRE TO STOP AT A STOP SIGN.
- · FAILURE TO STOP AT A RED LIGHT
- · FAILURE TO YIELD TO A PEDESTRIAN AT AN INTERSECTION
- · FAILURE TO YIELD WHILE MAKING A LEFT OR U TURN

the Souncet Mind the Shows





Mind the Signs

Speeding, rushing through a crosswalk or failing to stop at a stop sign MAY get you there a few minutes sooner but,

is it Worth . . .

- -.. Striking a pedestrian or bicyclist?
 - Arrest and booking?
- ... Weeks of trial/Cost of mai?
- . \$1.000 in fines?
- . . . Up to 3 years in prison?
- Loss of driving privilege?
- . Life forever changed?
- Learn many about perfection safety to ban framewoo at wait



OMMERSTY POLICE ADVISORY BOARD

9-18-2014

Dear Southern Community.

My name is Marisa Rodriguez and I am the Neighborhood Prosecutor assigned to the Southern police district. I want to take this opportunity to share a little bit about myself and the role! play in your community.



A San Francisco native, I am honored to live and work in the community that I serve, the Southern district Through my work as a Neighborhood Prosecutor, I am passionate about using the tools from the District Attorney's Office to help address the serious issues that arise in the context of victim's advocacy, restorative justice, and improving the quality of life for San Francisco residents.

The goal of the Neighborhood Prosecutor is to increase communication, collaboration and cohesion between the District Attorney's Office, and

- 1) The communities we serve (residential and business):
- 2) Our criminal justice partners; and
- 3) The public and non-profit organizations in our communities.

We achieve this goal by supporting our assigned police stations and through community engagement.

<u>Support Southern Police Station</u>: As your Neighborhood Prosecutor, I support Captain Roualdes and his team of dedicated police officers. I work with the officers to help address chronic offenders and quality of life issues. I am a resource for the station's investigations team and serve as a liaison to the District Attorney's Office. On occasion, I also personally handle cases requiring special attention, in light of their impact on the neighborhood.

Community Engagement: Enforcement alone is not enough to solve problems in the community. As your Neighborhood Prosecutor, I hope to work closely with Southern station to help develop community driven programs and solutions, and collaborate with our other city partners to further safety and community cohesion.

If there is a community event or meeting you would like me to attend, please feel free to contact me at MarisaRodriguez@sfgov.org. I am eager to learn about the great work the community is already doing. I look forward to meeting you and working together to continue making the Southern District a safe and healthy community for all of its residents, business owners, community members and visitors to enjoy.

Best regards.

Marisa Rodriguez





Register your property at reportit.leadsonline.com



Safe. Secure. Free.

Knowing what you own – the difference between recovering and not recovering stolen property.



General Public

Keep a secure, online record of valuable property, accessible from anywhere. All for free.



Law Enforcement

Help law enforcement recover stolen property faster than before.



Corporate Accounts

Inventory tools, equipment, supplies, etc. Call 1-800-311-2656 for more about corporate accounts. San Francisco Police Activities League Law Enforcement Cadets



2015-2016

Summer Cadet Academy & Internship

Exciting career and leadership program includes:

- Summer Cadet Academy:
 - 4-week intensive law enforcement training at the SF Police Academy
 - June 22 July 17, 2015; M-F, 9am-3pm
- O SFPD Internships (Year-Round):
 - · Graduates awarded internships at SFPD stations/bureaus

What is the PAL Cadet Program?

Since 1959, hundreds of San Francisco youth have developed new leadership and career skills as a San Francisco PAL Law Enforcement Cadel. The program provides an insight into law enforcement and public service careers.

PAL Law Enforcement Cadets engage in activities centered on the five emphasis areas of the Learning for Life program: career and job skills development, leadership experience, life skills learning, character education and community service.

Following successful completion of the PAL Summer Caddit Acidimy, graduates will be placed in a year-long internship position at an SFPD status or bureau. Additionally PAL Caddits meet meetly interning and community service activities such as, education in proper piolepide procedures and techniques, participate in police tide-alongs and assist in character and continues and procedures.

Minimum qualifications. Youth must be between age 14-20, reside or attend school in San Francisco, be enrolled in high school or college, have and maintain a 2.0 GPA and pass a SEPD criminal history background check.

Want to learn more?

Attend an Information Session (parents encouraged to attend):

Wed. March 11th 6:00pm-7:00pm or Sat. March 14th 10:30am-11:30am at 350 Amber Dr. SF

Applications due by 5:00 pm Friday, April 3rd 2015.

Complete application online at www.SFPAL.org/Cadets

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SAN FRANCISCO POLICE DEPARTMENT





Auxiliary Law Enforcement Response Team (ALERT)



What is the ALERT Program?

Mark Hernandez ALERT Program Coordinator San Francisco Police Department Training Division 350 Amber Drive San Francisco, Ca 94131 (415)-401-4615 sfpdalert@sfgov.org www.SanFranciscoPolice.org/alert

The San Francisco Police Department has developed a volunteer citizen disaster preparedness program. The Auxiliary Law Enforcement Response Team (ALERT) is modeled after and works in partnership with the San Francisco Fire Department's Neighborhood Emergency Response Team (NERT). The ALERT program will train members of the public to assist law enforcement in essential tasks after a major disaster. Such tasks may include: traffic control, foot patrol of business and residential areas, and reporting criminal activity. Volunteers must be at least 16 years of age and live, work, or attend high school in San Francisco.

Three steps to becoming an ALERT volunteer:

- 1. Complete NERT training and receive certification. To register for NERT training courses please visit www.sfgov.org/sfnert
- 2. Once NERT certified, forward a copy of your NERT ID card to the ALERT program. sfpdalert@sfgov.org 3. After clearing a basic background check the individual
- is eligible to register for ALERT training.

Important Dates:

To view upcoming dates of training classes, training drills, and informational meetings, please visit our webpage, at www.sanfranciscopolice.org

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For non-emergency police: 415-553-0123

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www.sf-police.org

Select the Online Reporting Icon.

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Additional types of reports may be added to the system.

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9-1-1

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Lock any items, bags, or packages in your trunk before reaching your destination.

Remove, or hide from sight, small items of value:

(Phone, charging cords, camera, GPS, money, etc.)

The best way to prevent a break - in is to leave your vehicle looking empty.

Always lock your vehicle, close windows and sunroof.

Do **not** hide spare keys in your vehicle, always take your garage opener with you.



www.sf-police.org





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Lieutenant Pera (Station Investigations)	Arran.Pera@sfgov.org
Day Watch Platoon Commander	553-1373
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Market Street Foot Beats	553-1373
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Sergeant Oliver	brian.oliver@sfgov.org,
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A Message from SF SAFE:



Watch streets become communities, and neighbors become friends. Watch crime go down, as security goes up. Watch police become partners as you join with them in making your neighborhood a better place to live.

Start a Neighborhood Watch on your block and see all these things happen!

SF SAFE (Safety Awareness for Everyone) will give you the knowledge and tools to create a
stronger, more cohesive and resilient community, and teach you how to be prepared and
empowered at work, on the streets or sidewalks and in your home.

Contact SF SAFE at 415-553-1984 or learn more at www.sfsafe.org

A Message from Community Boards



Are you having difficulty with someone? A loud neighbor? Disrespectful roommate? Unresponsive landlord? Community Boards' Neighborhood Mediation Program can assist you with quality of life issues (noise, parking, pets, graffiti, maintenance, etc) or relationship conflicts (family members, roommates, landlords, neighbors, etc).

COMMUNITY BOARDS

A mediation is a confidential and voluntary meeting where people discuss difficulties they are having with each other assisted by impartial third-parties, our mediators. Our mediators are trained to help people come up with

workable and lasting solutions. They don't give advice or make judgments. The goal is to help everyone feel heard, understood and respected.

We offer our services in English, Spanish, Mandarin and Cantonese at low- to no-cost. No one is turned away for lack of funds. Contact Community Boards at (415) 920-3820 x100 or learn more at www.communityboards.org.

New Program from SF SAFE

www.safebikes.org

SF SAFE, in partnership with the San Francisco Police Department has launched a new program called SAFE Bikes. This is a no cost bicycle registry program administered by San Francisco SAFE. Anyone can register their bicycle by going to www.safebikes.org and clicking on the registration icon. SAFE in collaboration with the San Francisco Bicycle Coalition, and several local businesses are undertaking a citywide educational campaign to teach people how to protect themselves against bike theft/burglary by recommending locking strategies and suggesting theft prevention tips.

The registration portion of SAFE Bikes is just beginning and can be a useful tool down the road if people register their bicycle. A Police Officer will be able to identify a registered bicycle on the street by the metallic sticker specifically made for this bicycle registration program. Each person receives a sticker when they register their bicycle. I encourage everyone to go to www.safebikes.org and utilize this free service offered.



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TECHNOLOGY

THIS WIND-POWERED COMMUTER FERRY IS BUILT LIKE A RACING BOAT

ITS HIGH-TECH WINGS CUT DIRTY DIESEL CONSUMPTION BY 40 PERCENT

By Katherine Kornei Posted March 18, 2015



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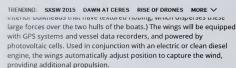


Wind-Powered Demo Vessel Wind+Wing Technologies

For all their convenience, most commuter ferries are dirty machines. A high-speed one burns 6,600 gallons of fuel a day, on average. Multiply that by the number of passenger boats on a busy waterway, like San Francisco Bay, and you've got a lot of spent diesel. "You can drive your Cadillac Escalade across the Golden Gate Bridge and get 19 miles to the gallon and you'd still be far more environmentally correct than to take the ferry system in the way it's currently operated," says Jay Gardner, president of <u>Wind+Wing Technologies</u> (WWT) in Napa, California. Gardner claims his company can reduce that diesel consumption by up to 40 percent.

WWT is developing a ferry that makes use of an abundant--and free-natural resource: wind. Instead of relying solely on engine power, specially designed catamarans will be equipped with vertical





Unlike traditional cloth sails, the wings require no expertise to operate, which has been a big stumbling block for wind-powered commercial vessels in the past. When ferryboat operators want to disengage the wings, such as during docking or especially windy conditions, they won't have to fold them down. Instead, crew members can simply set the wings in a neutral position. Even better, the process of using and disengaging the wings is completely autonomous. "The crew doesn't need to know anything about the wing or how it works," explains Richard Jenkins, president of Photon Composites, the company constructing the wings. "It's literally an on-off system."

WWT plans to outfit custom, 149-passenger ferryboats with two 75-foot-tall wings. Ultimately, the design can be scaled up to carry 500 passengers. And while \$2 million for a pair of wings ain't cheap, WWT says they would likely pay for themselves in fuel savings in less than two years. The company has already run tests on a smaller 42-foot prototype vessel and is now in talks with public and private investors to service the route between San Francisco and Treasure Island. The project could be live by 2020. Finally, ferryboat travel will be befitting of a modern, environmentally conscious city.

How It Works





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Illustration by Graham Murdoch

1. Wing

Each wing weighs about 4,000 pounds and is connected to the vessel by a 75-foot spine that turns freely. Three microphones measure audio signals from the wind. A computer then analyzes the readings to determine the wind's direction.

2. Trim Tab

Based on real-time wind direction, an actuator offsets the thin. outermost piece on the top of the wing by 15 degrees. This action forces the trim tab to move the wing, which provides thrust to the ferry, propelling it forward.

3. Counterweight

A 200-pound lead beam balances the weight of the wing, making it sensitive to even tiny changes in wind direction.

4. Solar Cell

A nine-square-foot photovoltaic cell generates about 50 watts of power to operate the wind sensor, wing controls, GPS, and communication tools.

5. Bulkhead

Unlike traditional sailboats, these ferries need an interior bulkhead that runs the width of the catamaran. It will evenly disperse the wings' force on the boat--up to 72,000 pounds--between the two hulls to ensure stability.

This article was originally published in the April 2015 issue of Popular Science, under the title "A Commuter Ferry Built Like A Racing Boat," It has been expanded for the web.







RENDING: SXSW

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TECHNOLOGY

SXSW 2015: CUDDLY DRONES DESIGNED BY KIDS

DAWN AT CERES RISE OF DRONES

BIRTHDAY PARTY DRONES ARE WAY MORE FUN THAN THE ONES THAT JUST TAKE PHOTOS

By Lindsey Kratochwill Posted 1 hour ago



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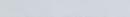
Birthday Drone *Courtesy Setup* The birthday drone flies

Drones are an inevitable part of our future. Whether they're used for good or evil is up for debate. With that idea in mind, <u>Setup</u>, a media lab in the Netherlands, created the <u>Cuddly Drones</u> program to teach kids about drone engineering and surveillance concerns. The kids learned all about drone aerodynamics and prototyping, and they participated in debates about safety and surveillance in the drone age. Then came the

4 of 6

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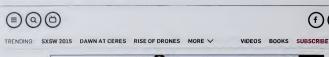
1 of 4

Waiter Drone

Courtesy Setup

The idea behind this one might be simple, but it wasn't so easy to execute. The waiter drone-a robot to deliver your food-was outfitted with a bow tie, but that costume made it impossible to take off. Howevit was a learning process for the students, and they learned how to modify it to make sure it could fly-and deliver your meal in style.

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NEWS

12 FAMILIES DISPLACED BY MISSION DISTRICT FIRE PLACED IN HOUSING

ABC7 News has an update on the families who lost everything to the huge apartment fire in the Mission District in late January.

By Lyanne Melendez

Wednesday, March 18, 2015 05:33PM

SAN FRANCISCO (KGO) -- ABC7 News has an update on the families who lost everything in the huge apartment fire in the Mission District in late January.

All 12 families have been placed in temporary housing in the city. Most are living on Treasure Island, two are living in the Mission District and three are at Parkmerced.

This week, most of them have been receiving a little extra from an online furniture company.

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5 cities where crime is soaring -- and 5 where it's falling



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"We have beds, tables, living room, dining room, some decor as well, some paintings and lamps," Move Loot's Jenny Morrill said.

Move Loot is an online site where people can buy and sell used furniture, but once in a while some of it doesn't sell.

"If it doesn't sell, we offer our sellers the option to either have it returned to them or donate to charity," Morrill said.

That's how Alas and her family were able to furnish their home.

Morrill worked with the Salvation Army, which then reached out to the 12 families to see what they needed.



Francisco's Stonestown mall \$180,000 raised for victims of SF apartment biling by bus service launches in San Francisco

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shoopened upshot Girl' wins the love of the Internet GoFundMe: Fundraiser for Mission District Fire Vistims Heaven' actress Sarah Goldberg dies at



Deadline for deadly SF Mission fire fundraiser extended



SF sets up fund to help victims of major fires



Rain could further damage burned out SF building



Boy honored for heroism during SF's Mission District Fire



Fundraiser held for victims of SF Mission District fire



Man who died in Mission District fire identified



Deadly four-alarm fire in San Francisco investigated





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Lyanne Melendez @LyanneMelendez

12 families lost all in a fire #Mission Today they have a home and guess what else they got? @MoveLoot @SFCity Hall

5:24 PM - 18 Mar 2015 San Francisco, CA, United States

10 PETWEETS 11 FAVORITES

The January fire displaced these families and many small businesses were also badly damaged.

"Everything is under water, It's flooded inside," one neighbor said.

Alas also worked at Antoiitos Salvadorenos, a restaurant located in the same building.

She said she lost it all but two weeks ago, she was able to move into a three-bedroom apartment in Park Merced.

"They were paying about \$900 for a studio in the Mission District. They lost their house because of the fire and now they are moving into a three-bedroom apartment." Salvation Army's Captain Rene Carcamo said.

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make sure that Alas and her family pay the same amount in rent as they did before.

"Hay que aprovechar para dar las gracias a todos que nos ha ayudado," Alas said, which translates to her wanting to make sure to thank everyone who has helped her and her family.

If you'd like to donate to help the victims of the Mission District fire, click here.

PHOTOS: Deadly fire in SF's Mission District

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Sonoma police arrest suspect in gruesome killing

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Suspect injured in Richmond officerinvolved shooting identified

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A firefighter stands in the window of a burning building in the Mission District neighborhood of San Francisco, Calif. on Jan. 28, 2015.



Man killed by Vallejo police had replica firearm

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San Francisco Bay Trail: Hike, eat, drink and play

By Jackie Burrell jburrell@bayareanewsgroup.com

marinij.com

The 2,650-mile Pacific Crest Trail may have seized the public's imagination, thanks to Cheryl Strayed's book and Oscar-nominated movie, "Wild." But there's an epic trail much closer to home—and it's so much more doable. We're talking about the 500-mile San Francisco Bay Trail, a ribbon of footpaths and mixed-use trails that circles the entire bay. The views are breathtaking, the walks spectacular—and there are no bears.

There are, however, beers. Or lattes, if that's your preference. Because the beauty of this trail is that it's at once in the very center of civilization yet far, far away. You can stop at buzzy bistros and chic galleries, or escape to the reed-fringed shores for a few hours of blissful solitude, punctuated only by birdcalls.

Armed with a box of very cool trail map cards (available at www.baytrail.org), my husband and I have spent the last month hiking the Bay Trail, a few miles at a time, and every walk has been a journey of discovery. How have we lived here all this time and not known that there are strange, mystical, yellow doors on the reed-fringed boardwalks of Alviso? Or a shipwreck in Martinez?

We have — inadvertently — become avid bird-watchers. We have discovered cozy cafes and great little food trucks. We have hiked a gorgeous, wildflower-strewn hillside that was a steaming municipal dump just 30 years ago, and we have found hope that perhaps our planet is not as desperately messed up as it seems.

Advertisement

The San Francisco Bay Trail is an ever-growing project. About 340 of those 500 miles have been linked, including pedestrian paths across four and a half toll bridges. The Association of Bay Area Governments maps bear dotted lines of to-dos, including the last stretch between the new Bay Bridge pedestrian path and Treasure Island.

"We're down to the hard ones," project manager Laura Thompson says. "And we've been thrilled."

We're thrilled, too. And we want you to hit the trail with us, circumnavigating the bay on weekend walks that mix gorgeous views and outdoor adventures with excellent coffee, tasty noshes and other very civilized comforts.

First up: A city adventure that takes us from San Francisco's Fort Mason to the Wave Organ, with stops at a wine festival, an improv theater and an Italian gallery.

The trail

We've left our car in the Fort Mason parking lot — and we are already rueing the decision to put just three hours on the meter. This day is so glorious, we don't want to go home. It's a half-hour jaunt from Fort Mason to the tip of the jetty where the Exploratorium installed a Wave Organ in 1986, but that timing only works if you don't get distracted along the way.

As we circle San Francisco's small boat harbor and head out on a spit, just past the St. Francis Yacht Club, we stop and stop again. On the bay, sails snap in the breeze. Ferries roar, kite surfers soar and pelicans, their feathers a brilliant white in the early spring sunlight, shoot by in tight battalions just a few yards above the water.

Peter Richards and George Gonzalez's wave-activated acoustic sculpture is made from PVC pipes, concrete and carved marble and granite, the latter two sourced from a shuttered cemetery. The subtle susurration of waves emerges through a series of 25 pipes, best appreciated at high tide. So we listen, murmur back to the waves, watch the boats and eventually head back to Fort Mason.

The fort

We may have 338.5 miles of the 340 to go, but the easy, flat, 3-mile round-trip turned out to be an excellent way to start and a pretty fantastic place to spend the day. This 1,200-acre former Army base has a lengthy history, but its current appearance dates back to 1915 with the building of its three massive piers. It was the headquarters of the San Francisco Port of Embarkation — and the Bay Area's vast wartime shipping industry that fueled the Pacific campaign — during World War II.

Today, it's home to the venerable Magic Theatre and the hilarious improv group, BATS. (We're still laughing over the improvised, three-act play we saw there a few months ago. The brilliant, spontaneous action was set, at the audience's suggestion, in a funeral home with a cocktail bar.)

Depending on your timing, you can take in dinner and a show after your walk, or head for SFMOMA's Artists Gallery, where you can rent or buy modern art Tuesday through Saturday — or shop its big artists' warehouse sale April 29-May 2. Stroll over to the Museo Italo Americano, where a retrospective of San Francisco designer Primo Angeli's work — the Boudin Bakery logo, Henry Weinhard bottles and U.S. Olympics posters — has been extended through May 31. When we were there, Angeli was conducting impromptu tours himself.

Thirsty? At The Interval — a cafe, bar and museum for The Long Now foundation — you can gawk at a clock designed to ticktock 10,000 years and browse the crowd-sourced Manual for Civilization, a library that includes what seems, even to us writerly types, to be a disproportionately large number of English dictionaries. Perhaps in addition to the salon talks, the excellent Sightglass coffee and the craft cocktails — a Navy Gimlet (\$12), say, or a Decanted Mother-in-Law (\$11) — there will be rounds of Balderdash or some other dictionary-dependent amusement later on.

More? There's a farmers market on Sundays, Off the Grid street food fests on Friday evenings and concerts, shows and festivals, such as the San Francisco Vintners Market — 150 wineries pouring sips and selling bottles, April 11-12 — and the ArtMRKT Fair May 1-3.

And, of course, there's the blissful pleasure of simply strolling out to the end of the pier to catch the view. We pause to think of Reese Witherspoon, all cinematically blistered, craving good food and drink, and sunburned on the "Wild" Pacific Crest Trail.

Reese, honey, come walk with us. You'll have a much better time.

Fort Mason to the Wave Organ

Hike: Easy, flat 3-mile round-trip

Parking: Pay parking lot at Fort Mason

Eat: Greens, San Francisco's iconic vegetarian restaurant, is perched at the end of Fort Mason Building A; www.greensrestaurant.com.

Drink: Grab coffee or cocktails at The Interval at the Long Now in Fort Mason Building A; www.theinterval.org.

Play: Fort Mason is a hub of activity, with theaters, restaurants, art galleries and a full roster of special events, including the San Francisco Vintners Market (www.sfvintnersmarket.com) on April 11-12 and Off the Grid (www.offthegridsf.com) every Friday evening. Find more at

www.fortmason.org.

Bay Trail By the Numbers

1987: Senator Bill Lockyer launches the San Francisco Bay Trail project with SB100.

500: The goal is a 500-mile continuous trail that circles the bay

340: Miles completed to date. The newest segments include a portion of the Bay Bridge (2013), two segments around Point Richmond that connect Ferry Point to Shipyard 3 (2014) and a 2.7-mile stretch at Hamilton Wetlands in Marin County (2014).

4.5: Toll bridges with pedestrian paths that form part of the trail

9: Counties involved in the Bay Trail

30 days: Length of time it took Kurt Schwabe to walk the entire trail

Maps & More

Find maps, order map cards, download a Bay Trail smartphone app and find out more about the San Francisco Bay Trail at www.baytrail.org.

Need inspiration? Kurt Schwabe traversed the entire trail in 30 days in 2013. The San Francisco resident had just read "Wild," but a 1,000-mile wildemess hike wasn't exactly practical. Then he spotted a Bay Trail sign. "How cool would it be to walk the whole trail?" he remembers thinking. "But I need to be home every night." Read about his adventures at www.walkingthebayfrail.com.

Bay Trail board member Corinne DeBra did the trail over a two-year period as a series of small loops, racking up 1,000 miles along the way. She enjoyed it so much, she's doing it again now. The trail experience changes with the seasons, it's fun to take new friends along and, she points out, new segments of the trail have opened. Follow her trail at www.walking-the-bay.com.

Ready to hit the trail yourself? Post photos from your Bay Trail explorations on Instagram and Twitter with the hashtag #EDPBayTrail — or email them to jburrell@bayareanewsgroup.com — so we can follow your path, too.

More coverage:







- SECTIONS

BREAKING NEWS Procession to memorial service for SJPD Officer Michael

SOCIETY

ARMENIANS REMEMBER GENOCIDE AGAINST THEM ON **100TH ANNIVERSARY**

Armenians around the world are remembering the genocide against them on its 100th anniversary.

RECOMMENDED



EMBED



By Wayne Freedman

TREASURE ISLAND, Calif. (KGO) -- Drivers taking the Bay Bridge to San Francisco will get some history with their commute in the form of a sign for the month of April.

Armenians around the world are remembering the genocide against them on its 100th anniversary. This was the first genocide of the 20th century.

They put up signs, memorials, even one on Yerba Buena Island. A sign like this hasn't been seen in this area until now.

"And it will be on Muni trains and BARTs and on the 101 and off the Bay Bridge. You'll be seeing in the next week," Armenian-American Kim Bardakian said.

Bardakian is one of 30,000 local members of the Armenian community, many of whom pitched in to pay the Treasure Island Development Authority \$10,500 for the prime ad space, one that is supposed to be non-political.

But is it?

"We did not evaluate it to be political, but more of a memorial of historic events." Treasure Island Development Authority spokesperson Robert Beck said.

The Armenian Genocide began 100 years ago this month, 1.3 million Armenian Christians died at the hands of the Ottoman Turkish government.

"They were killed in the deserts and by starvation and by gruesome acts of violence." Bardakian said.

Even today, however, the Turkish government denies



...10 Abandoned Resorts That Will Freak You Out! Scribol



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Memorial to be held for SJPD Officer Michael Johnson

Updated 23 mins ago



DFTAILS: Memorial service for fallen SJPD Officer Michael Johnson

Updated 1 hr 4 mins ago



Gov. Brown orders mandatory water restrictions

that the genocide ever happened, which does bring in the possible political ramification and begs a question about free speech.

What is to stop another more potentially controversial group from asking for the same space as well or for causing demonstrations?

"We haven't had a problem in the past with messages of a controversial nature being requested or permitted. And we don't see that this opens up a door for that, either." Beck said.

"It's about genocide in general. Hitler is often referred to with a famous quote that he said, 'Who today remembers the Armenians,'" Bardakian said.

This month on the Bay Bridge, we all will.

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TOP VIDEO

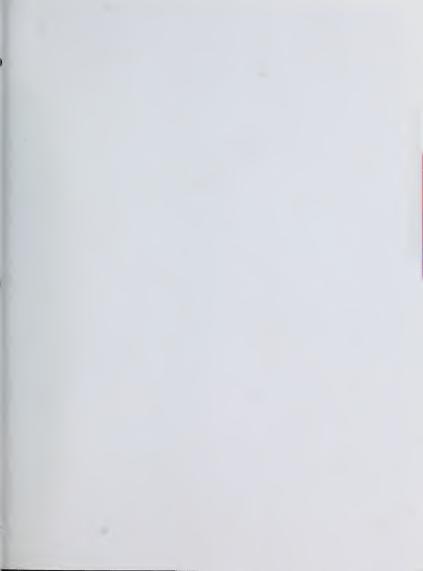


Memorial to be held for SJPD Officer Michael Johnson Updated 23 mins ago

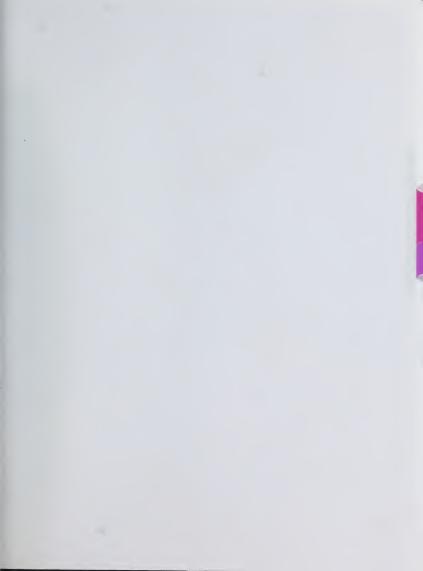


EXCLUSIVE: Bay Area man trapped in Yemen searches for way to leave















AGENDA ITEM 7

Treasure Island Development Authority City and County of San Francisco Meeting of April 8, 2015

Subject: Resolution Approving and Authorizing the Execution of Sublease Nos. 954, 955 and

956 with GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership, for three cellular

communications sites located on Treasure and Yerba Buena Islands.

Contact Richard A. Rovetti, Deputy Director of Real Estate

Phone 415-274-3365

BACKGROUND

GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership (hereafter referred to as "Verizon"), has been a subtenant in good standing with the Treasure Island Development Authority (hereafter referred to as the "Authority") for over one year. Since January 1, 2015, Verizon has subleased land located at 3rd Street between Avenue N, Treasure Island, for the purposes of operating a temporary cell site on wheels under a month-to-month Sublease. The Base Rent payable under the current Sublease is \$6,300.00 per month.

In an effort to improve cellular coverage on Treasure Island and Bay Bridge, Verizon is requesting to enter into 3 month-to-month subleases commencing June 1, 2015 with a combined total monthly Base Rent of \$12,000.00.

SUBLEASE TERMS AND CONDITIONS

Verizon will sign the Authority's standard form Sublease document. The salient terms and conditions of the proposed Sublease include the following:

SUBLEASE NO. 954

Premises: Cell Site No. 123818 located on Yerba Buena Island

Location: Yerba Buena Island

Commencement Date: June 1, 2015 or the first day of the month following the date

Verizon commences construction of the facility.

Sublease Expiration

Date: November 30, 2016

Sublease Term: Month-to Month

Base Rent: \$4,000.00 per month

Use: The Premises shall be used for installation and maintenance of the

cellular communications site commonly known as Cell Site No.

123818 and for no other purpose

Security Deposit: \$8,000.00

SUBLEASE NO. 955

Premises: Cell Site No.287912 located on the Northeast corner of the rooftop

of Hanger 3, Treasure Island

Location: Hanger 3, Treasure Island

Commencement Date: June 1, 2015 or the first day of the month following the date

Verizon commences construction of the facility.

Sublease Expiration

Date: November 30, 2016

Sublease Term: Month-to Month

Base Rent: \$4,000.00 per month

Use: The Premises shall be used for installation and maintenance of the

cellular communications site commonly known as Cell Site No.

287912 and for no other purpose

Security Deposit: \$8,000.00

SUBLEASE NO. 956

Premises: Cell Site No. 193827 located at the intersection of 11th Street and

Avenue D, Treasure Island

Location: 11th Street and Avenue D, Treasure Island

Commencement Date: June 1, 2015 or the first day of the month following the date

Verizon commences construction of the facility.

Sublease Expiration

Date: November 30, 2016

Sublease Term: Month-to Month

Base Rent: \$4,000.00 per month

Use: The Premises shall be used for installation and maintenance of the

cellular communications site commonly known as Cell Site No.

193827 and for no other purpose

Security Deposit: \$8,000.00

PROPOSED MONTHLY BASE RENT

Under the Authority's Interim Subleasing Policy, the Minimum Rental Rate Schedule sets ranges of minimum sublease rental rates per square foot by type of use and facility for office and industrial space. Authority Staff reviews and analyzes available commercial data including market comparables of properties similarly situated to the Authority properties and evaluates the Authority transactions over the past 12 months to establish fair market value. The Authority Board last approved the Minimum Rental Rate Schedule in September 2015. However, the appraisal did not analyze cell sites on either Treasure or Yerba Buena Islands. Authority staff has received cell site comparables from the Port of San Francisco in the range of approximately \$4,000.00 to \$6,000.00 per month.

Authority Staff and Verizon have negotiated 3 new Subleases with a total monthly rent of \$12,000.00. Although a rental rate for cell sites has not been established, Authority Staff believes that \$12,000.00 per month along with improved coverage for Island residents represents fair market value for these three Cell Sites.

BUDGET IMPACT

The new Sublease will provide approximately \$144,000.00 per year to the Authority's budget for FY 2015/16.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve the proposed 3 Subleases: (1) Sublease No. 954 for Cell Site No. 123818 located on Yerba Buena Island, (2) Sublease No. 955 for Cell Site No.287912 located on the Northeast corner of the rooftop of Hanger 3, Treasure Island and (3) Sublease No. 956 for Cell Site No. 193827 located at the intersection of 11th Street and Avenue D, Treasure Island with GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership and authorize the Treasure Island Director or his designee to execute said Subleases on a month-to-month basis through November 30, 2016, and subject to the additional terms and conditions set forth above.

EXHIBIT

Exhibit A: Sublease Agreement

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate For: Robert P. Beck, Treasure Island Director



SUBLEASE No. 954

between

TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP dba Verizon Wireless a California limited partnership

as Subtenant

For the Sublease of a Wireless Communications Cell Site located on Yerba Buena Island

Treasure Island Naval Station San Francisco, California

June 1, 2015

TREASURE ISLAND SUBLEASE

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EXHIBIT B - Diagram of Premises

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EXHIBIT D - Rules and Regulations

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TREASURE ISLAND SUBLEASE

THIS SUBLEASE (the "Sublease"), dated for reference purposes only as of June 1, 2015, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation ("Sublandlord"), and GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

- A. The United States of America, acting by and through the Department of Navy ("Master Landlord") and Sublandlord entered into a lease dated November 19, 1998, as amended from time to time (the "Master Lease"), a copy of which is attached hereto as Exhibit A. Under the Master Lease, the Master Landlord leased to Sublandlord certain real property located on Treasure Island Naval Station (the "Property"), as more particularly described in the Master Lease.
- B. Subtenant desires to sublet from Sublandlord, and Sublandlord is willing to sublet to Subtenant, a portion of the Property on the terms and conditions contained in this Sublease.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. BASIC SUBLEASE INFORMATION

The following is a summary of basic sublease information (the "Basic Sublease Information"). Each item below shall be deemed to incorporate all of the terms of this Sublease pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Sublease, the more specific provision shall control.

Sublandlord: June 1, 2015

Sublandlord: TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation

Subtenant:

GTE MOBILNET of CALIFORNIA
LIMITED PARTNERSHIP, dba Verizon
Wireless, a California limited partnership

Subleased Premises (Section 2.1):

Cell Site No. 123818 located on Yerba Buena Island, Treasure Island, San Francisco, CA, as more particularly shown on <u>Exhibit B</u>, attached hereto including the improvements thereon.

Facility:

Yerba Buena Island

Term: (Section 4.1):

Commencement date: June 1, 2015 or the first day of the month following the date Verizon commences construction of the facility

Expiration date: November 30, 2016

Notwithstanding anything in this Sublease to the contrary, either Sublandlord or Subtenant, in its sole discretion, may terminate this Sublease for any reason upon delivery of not less than thirty (30) days' prior written notice to the other party.

Base Rent (Section 5.1):

Use (Section 7.1):

Four Thousand Dollars (\$4,000.00) per month

Rent Adjustment Date(s) (Section 5.2):

Not applicable

Not applicable

Rent Increase Percentage (Section 5.2):

The Premises shall be used for installation and maintenance of the cellular communications site commonly known as Cell Site No. 123818 and for no other purpose.

Repair Amount (Section 13.1):

Ten Thousand Dollars (\$10,000.00)

Security Deposit (Section 19.3):

Eight Thousand Dollars (\$8,000.00)

Notice Address of Sublandlord (Section 21.1):

Treasure Island Development Authority
Treasure Island Project Office
One Avenue of Palms
Building 1, 2nd Floor
Treasure Island
San Francisco, CA 94130
Attn: Robert P. Beck
Treasure Island Director
Fax No.: 415-274-0299

with a copy to:

Office of the City Attorney City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Charles Sullivan Fax No.: (415) 554-4755

Notice Address of Subtenant (Section 21.1):

GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless 180 Washington Valley Road Bedminster, NJ 07921

Attn: For rent or other administrative matters:

Telephone No. (866) 862-4404
Fax No. N/A
Email. N/A

Notice Address of Master Landlord (Section 21.1):

Department of The Navy Base Realignment and Closure Program Management Office West 1455 Frazee Road, Suite 900 San Diego, CA 92108-4310 Fax #: (619) 532-9858

2. PREMISES

2.1. <u>Subleased Premises</u>. Subject to the terms, covenants and conditions of this Sublease, Sublandlord subleases to Subtenant the Premises. Subtenant shall have the non-exclusive right to use, together with other subtenants in the Facility, the lobbies, corridors, elevators, stains and other public areas of the Facility and the Property (collectively, the "Common Areas"), and the non-exclusive right of access to and from the Premises by the main entrances to the Facility

and the Property.

In the event Subtenant uses or occupies space outside the Premises without the prior written consent of Sublandlord (the "Encroachment Area"), then upon written notice from Sublandlord ("Notice to Vacate"), Subtanant shall immediately vacate such Encroachment Area and pay as additional rent for each day Subtenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area. multiplied by the higher of the (a) highest rental rate then approved by Sublandlord's Board of Directors for the Premises or the Facility, or (b) then current fair market rent for such Encroachment Area, as reasonably determined by Sublandlord (the "Encroachment Area Charge"). If Subtenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period shall be prorated based on a thirty (30) day month. In no event shall acceptance by Sublandlord of the Encroachment Area Charge be deemed a consent by Sublandlord to the use or occupancy of the Encroachment Area by Subtenant or a waiver (or be deemed as waiver) by Sublandlord of any and all other rights and remedies of Sublandlord under this Sublease (including Subtenant's obligation to indemnify, defend and hold Sublandlord harmless as set forth in the last paragraph of this Section 2.1), at law or in equity.

In addition to the foregoing amount, Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Sublandlord determines during subsequent inspection(s) that Subtenant has failed to vacate the Encroachment Area, then Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Three Hundred Dollars (\$300.00) for each additional Notice to Vacate, if applicable, delivered by Sublandlord to Subtenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area represent a fair and reasonable estimate of the administrative cost and expense which Sublandlord will incur by reason of Sublandlord's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Subtenant's failure to comply with the applicable Notice to Vacate and Sublandlord's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Sublandlord under this Sublease, at law or in equity. The amounts set forth in this Section 2.1 shall be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area.

In addition to the rights and remedies of Sublandlord as set forth in the immediately foregoing two paragraphs of this Section 2.1, the terms and conditions of the indemnity and exculpation provision set forth in Section 16 below shall also apply to Subtenant's use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Subtenant shall additionally indemnify, defend and hold Sublandlord harmless from and against any and all loss or liability resulting from delay by Subtenant in so surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any claims

against Sublandlord made by any tenant or prospective tenant founded on or resulting from such delay and losses to Sublandlord due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

By placing their initials below, each party specifically confirms the accuracy of the statements made in this <u>Section 2.1</u> and the reasonableness of the amount of the charges described in this Section 2.1.

•		
Initials:	Sublandlord	Subtenant
2.2 As Is Condition of Du	amica.	

2.2. As Is Condition of Premise

- (a) Inspection of Premises. Subtenant represents and warrants that Subtenant has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them ("Subtenant's Agents"), of the Premises and the suitability of the Premises for Subtenant's intended use. Subtenant is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses. As part of its inspection of the Premises, Subtenant acknowledges its receipt and review of the Seismic Report referenced in Section 2.2(c) below and the Joint Inspection Report referenced in Section 6 of the Master Lease.
- As Is: Disclaimer of Representations. Subtenant acknowledges and agrees that the Premises are being subleased and accepted in their "AS IS, WITH ALL FAULTS" condition. without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties, including without limitation the orders and citations of any regulatory authority with jurisdiction over life and safety issues concerning the Premises governing the use, occupancy, management, operation and possession of the Premises ("Laws"). Without limiting the foregoing, this Sublease is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Subtenant acknowledges and agrees that neither Sublandlord, the City and County of San Francisco ("City"), nor any of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees or contractors, or their respective heirs, legal representatives, successors and assigns ("Sublandlord's Agents") have made, and Sublandlord hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, including, without limitation, the matters described in the Seismic Report (as defined below), (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the

Premises if required for Subtenant's use and permitted under this Sublease, (v) the safety of the Premises, whether for the use by Subtenant or any other person, including Subtenant's Agents or Subtenant's clients, customers, vendors, invitees, guests, members, licensees, assignees or subtenants ("Subtenant's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

(c) Seismic Report. Without limiting Section 2.2(b) above, Subtenant expressly acknowledges for itself and Subtenant's Agents that it received and read that certain report dated August 1995, entitled "Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions," prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Subtenant has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils of the Property and points out that in the area of the Property where the Premises are located, an carthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that any structures or improvements located on or about the Premises, may fail structurally and collapse.

3. COMPLIANCE WITH MASTER LEASE

- 3.1. <u>Incorporation by Reference</u>. All of the terms and conditions of the Master Lease are hereby incorporated by reference into this Sublease as if fully set forth herein.
- 3.2. <u>Performance of Master Landlord's Obligations</u>. Sublandlord does not assume the obligations of Master Landlord under the Master Lease. With respect to work, services, repairs, restoration, the provision of utilities or HVAC services, or the performance of any other obligations required of Master Landlord under the Master Lease, Sublandlord's sole obligation with respect thereto shall be to request the same, on request in writing by Subtenant, and to use reasonable efforts to obtain the same from Master Landlord. Subtenant shall cooperate with Sublandlord as may be required to obtain from Master Landlord any such work, services, repairs, repainting, restoration, the provision of utilities or HVAC services, or the performance of any of Master Landlord's obligations under the Master Lease.
- 3.3. <u>Conflict</u>. If any of the provisions of this Sublease conflict with any portion of the Master Lease as incorporated herein, then the terms of the Master Lease shall govern.
- 3.4. Compliance with Master Lease. Subtenant shall not do or permit to be done anything which would constitute a violation or a breach of any of the terms, conditions or provisions of the Master Lease or which would cause the Master Lease to be terminated or forfeited by virtue of any rights of termination reserved by or vested in the Master Landlord.

4. TERM

- 4.1. <u>Term of Sublease</u>. The term of this Sublease (the "Term") shall commence on the Commencement Date set forth in the Basic Sublease Information, and expire on the Expiration Date set forth in the Basic Sublease Information, unless sooner terminated pursuant to the terms of this Sublease.
- 4.2. Effective Date. This Sublease shall become effective on the date (the "Effective Date") upon the later of (i) the Parties' execution and delivery of this Sublease, (ii) Sublandlord's Board of Director's approval of this Sublease at a duly noticed meeting, if such approval is required, or (iii) the Commencement Date.
- 4.3. <u>Automatic Termination</u>. If the Master Lease terminates in whole or in part affecting these Premises for any reason whatsoever, this Sublease shall automatically terminate and the Parties shall thereafter be relieved from all liabilities and obligations under this Sublease, except for liabilities and obligations which expressly survive termination of this Sublease. Subtenant acknowledges and agrees that it has reviewed the Master Lease, is aware of the circumstances upon which the Master Lease may be terminated and hereby assumes all risks associated with the automatic termination of this Sublease because of the termination of the Master Lease.
- 4.4. <u>Termination</u>. As set forth in the Basic Sublease Information (Term), either Sublandlord or Subtenant, each in their sole discretion, may terminate this Sublease for any reason without liability or expense upon delivery of not less than thirty (30) days' prior written notice to the other party. Subtenant agrees and shall be required to surrender possession of the Premises by the end of such thirty (30) day period.
- No Relocation Assistance; Waiver of Claims. Subtenant acknowledges that Subtenant 4.5. has previously been informed that the Property subject to this Sublease is part of an area that is proposed for redevelopment and that this Sublease may be terminated by Sublandlord or Subtenant may be required to move from the Property to accommodate the redevelopment project. Subtenant acknowledges that, if this Sublease is terminated or Subtenant is asked to move, it will not be a displaced person as that term is defined under the California Government Code Section 7260 et seq. ("California Relocation Act") and the Uniform Relocation Assistance and Real Property Policies Act, 42 U.S. C. 4601 et seq. ("URA"), and that Subtenant will not be entitled to any relocation benefits provided under the California Relocation Act and the URA. including any moving expenses, reimbursement for costs associated with increased rent, loss of goodwill or other costs related to the termination of Subtenant's Lease and Subtenant's relocation from the Premises. Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims against, and covenants not to sue, Sublandlord, its departments, commissions, officers, directors and employees, agents, contractors and successors and assigns and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from Sublandlord under federal and state relocation assistance laws (including, but not limited to, California Government Code Section

7260, et seq., and the Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. 4601, et seq.).

Subtenant

5. RENT

- 5.1. Base Rent. Throughout the Term, beginning on the Commencement Date, Subtenant shall pay to Sublandlord Base Rent in the amount set forth in the Basic Sublease Information. Base Rent shall be paid to Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 21.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall be prorated based on a thirty (30) day month.
- 5.2. Adjustments in Base Rent. If this Sublease has not been terminated, then on each Rent Adjustment Date set forth in the Basic Sublease Information, the Base Rent shall be increased by the Rent Increase Percentage set forth in the Basic Lease Information.
- 5.3. <u>Additional Charges</u>. In addition to Base Rent, Subtenant shall pay all other charges related to the Premises otherwise payable by Subtenant to Sublandlord hereunder, including, without limitation, all late charges and default interest attributable to late payments and/or defaults of Subtenant hereunder, all utility charges, and any amounts other than Base Rent that shall become due and payable by Subtenant under this Sublease (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".
- 5.4. Late Charge. If Subtenant fails to pay any Rent within ten (10) days after the date the same is due and payable, such unpaid amount will be subject to a late payment charge equal to six percent (6%) of the unpaid amount in each instance. The late payment charge has been agreed upon by Sublandlord and Subtenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that Sublandlord will incur as a result of any such failure by Subtenant, the actual costs thereof being extremely difficult if not impossible to determine. The late payment charge constitutes liquidated damages to compensate Sublandlord for its damages resulting from such failure to pay and Subtenant shall promptly pay such charge to Sublandlord together with such unpaid amount.
- 5.5. <u>Default Interest</u>. If any Rent is not paid within ten (10) days following the due date, such unpaid amount shall bear interest from the due date until paid at the rate of ten percent (10%) per year. However, interest shall not be payable on late charges incurred by Subtenant nor on any amounts on which late charges are paid by Subtenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge.

Payment of interest shall not excuse or cure any default by Subtenant.

6. TAXES, ASSESSMENTS AND OTHER EXPENSES

6.1. Taxes and Assessments, Licenses, Permit Fees and Liens.

- (a) Payment Responsibility. Subtenant shall pay any and all real and personal property taxes, including, but not limited to, possessory interest taxes, general and special assessment sexcises, licenses, permit fees and other charges and impositions of every description levied on or assessed against the Premises, any Alterations, Subtenant's Personal Property, or Subtenant's use of the Premises or any Alterations during the Term. Subtenant shall make all such payments directly to the charging authority when due and payable and at least ten (10) days prior to delinquency. However, with respect to real property taxes and assessments levied on or assessed against the Premises for which Sublandlord receives the tax bill directly from the taxing authority, Subtenant shall reimburse Sublandlord for payment of such sums immediately upon demand.
- (b) <u>Taxability of Possessory Interest</u>. Without limiting the foregoing, Subtenant recognizes and agrees that this Sublease may create a possessory interest subject to property taxation and that Subtenant may be subject to the payment of property taxes levied on such interest.
- (e) <u>No Liens</u>. Subtenant shall not allow or suffer a lien for any taxes payable by Subtenant hereunder to be imposed upon the Premises or upon any equipment or other property located thereon without discharging the same as soon as practicable, and in no event subsequent to delinquency.
- (d) <u>Reporting Information</u>. Subtenant agrees to provide such information as Sublandlord may request to enable Sublandlord to comply with any possessory interest tax reporting requirements applicable to this Sublease.
- 6.2. <u>Evidence of Payment</u>. Subtenant shall, upon Sublandlord's request, furnish to Sublandlord within ten (10) days after the date when any charges are due and payable, official receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Sublandlord, evidencing payment thereof.

7. USE: COVENANTS TO PROTECT PREMISES

- 7.1. <u>Subtenant's Permitted Use</u>. Subtenant may use the Premises for the Permitted Use set forth in the Basic Sublease Information, but for no other purpose without the prior written consent of Sublandlord, which consent may be given or withheld in Sublandlord's sole and absolute discretion.
- 7.2. <u>Subtenant's Access to the Premises</u>. As provided in Section 30 of the Master Lease, Subtenant shall have access to the Premises on a twenty four (24) hours per day, seven (7) days

per week basis; provided, however, Subtenant shall coordinate such access with the local representative of Master Landlord.

- 7.3. <u>Rules and Regulations</u>. Subtenant agrees to adhere to all rules and regulations regarding the Premises attached hereto as <u>Exhibit</u> D, and any additional rules regarding security, ingress, egress, safety and sanitation applicable to the Premises or the Property, as such rules and regulations may be prescribed by Master Landlord or Sublandlord from time to time.
- Easements. This Sublease shall be subject to all outstanding easements and rights-ofway for location of any type of facility over, across, in, and upon the Premises or any portion thereof, and to the right of Master Landlord to grant such additional easements and rights-of-way over, across, in and upon the Premises as Master Landlord shall determine to be in the public interest ("Additional Easements"); provided that, as provided in Section 29 of the Master Lease. Master Landlord shall use its best efforts to minimize any interference with Subtenant's operations hereunder caused by the granting of any such Additional Easements and the granting of such Additional Easements shall be conditioned on the assumption by the grantee thereof of liability to Subtenant for such damages as Subtenant shall suffer for property destroyed or property rendered unusable on account of the grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such Additional Easements as are presently outstanding or which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair or replacement of facilities located thereon, and to any federal, state or local official engaged in the official inspection thereof, such reasonable rights of ingress and egress over the Premises as shall be necessary for the performance of their duties with regard to such facilities.
- 7.5. No Interference with Navy Operations. Subtenant shall not conduct operations, nor make any Alterations (as defined below), that would interfere with or otherwise restrict Master Landlord's operations or environmental clean-up or restoration actions by the Master Landlord, Sublandlord, the Environmental Protection Agency, the State of California or their contractors. Environmental clean-up, restoration or testing activities by these Parties shall take priority over Subtenant's use of the Premises in the event of any conflict; provided, however, in such event, Master Landlord and Sublandlord shall use their best efforts to minimize any disruption of Subtenant's operation.
- 7.6. No Unlawful Uses, Nuisances or Waste. Without limiting the foregoing, Subtenant shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Subtenant shall eliminate any nuisances or hazards relating to its activities on or about the Premises. Subtenant shall not conduct any business, place any sales display, or advertise in any manner in areas on or about the Property outside of the Premises.

8. ALTERATIONS

8.1. Alterations. Subtenant shall not construct, install, make or permit to be made any

alterations, installations or additions ("Alterations") in, to or about the Premises, without Sublandlord's prior written consent in each instance, which consent may given or withheld in Sublandlord's sole and absolute discretion. Subject to Sublandlord's sole and absolute discretion. Subject to Sublandlord's consent as provided above, any Alterations shall be done at Subtenant's sole expense (i) in strict accordance with plans and specifications approved in advance by Sublandlord in writing, (ii) by duly licensed and bonded contractors or mechanics approved by Sublandlord, (iii) in a good and professional manner, (iv) in strict compliance with all Laws, and (v) subject to all other conditions that Sublandlord may reasonably impose. In no event shall the construction, installation or the making of any Alterations impair the use or operation of the Property, or any portion thereof, or Sublandlord's or Master Landlord's access thereto. Prior to the commencement of any work on the Premises to construct any Alterations, Subtenant, at its sole expense, shall procure all required permits and approvals and shall promptly upon receipt deliver copies of all such documents to Sublandlord. No material change from the plans and specifications for any Alterations approved by Sublandlord may be made without Sublandlord's prior consent. Sublandlord and Sublandlord's Agents shall have the right to inspect the course of construction on the Premises at all times.

- (a) Asbestos-Containing Materials. Without limiting Section 25.2 (No Hazardous Materials) below, in the event that asbestos-containing materials ("ACM") are determined to exist in or about the Premises, Subtenant shall ensure that all Alterations and any asbestos related work, as defined in California Health & Safety Code Section 25914.1(b), is performed in compliance with all laws relating to asbestos, including but not limited to California Occupational Safety and Health (OSHA) regulations found in Title 8 of the California Code of Regulations, Sections 1502 and 1529. Additionally, Subtenant shall distribute notifications to all employees and contractors as required pursuant to California Health & Safety Code Section 25915 et seq. informing them of the existence of ACM and that moving, drilling, boring, or otherwise disturbing ACM may present a health risk and should not be attempted by an unqualified employee. No Alterations affecting ACM-containing areas or any asbestos related work shall be performed without Sublandlord's prior written consent in each instance.
- (b) Subtenant's Improvements or Alterations that Disturb or Remove Lead Based Paint. Subtenant shall comply with all requirements of the San Francisco Building Code, Section 3407, and all other applicable present or future federal, state, local and administrative laws, rules, regulations, orders and other governmental requirements, the requirements of any board of fire underwriters or other similar body, any directive or occupancy certificate issued pursuant to any law by any public officer or officers acting in their regulatory capacity (collectively, "Laws"), including, without limitation, the California and United States Occupational Health and Safety Acts and their implementing regulations, when the work of improvement or alteration disturbs or removes exterior lead-based or "presumed" lead-based paint (as defined below). Subtenant shall give to Sublandlord three (3) business days prior written notice of any disturbance or removal of exterior lead-based or presumed lead-based paint, shall not use or cause to be used any of the following methods: (a) acetylene or propane burning and torching; (b) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate Air filter ("HEPA") local vacuum exhaust tool; (c) hydroblasting or high

pressure wash without containment barriers; (d) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool; and (e) heat guns operating above 1,100 degrees Pahrenheit. Paint on the exterior of buildings built before December 31, 1978, is presumed to be lead-based paint unless lead-based paint testing, as defined in Section 3407 of the San Francisco Building Code, demonstrates an absence of lead-based paint on the exterior surfaces of such buildings. Under this Section, lead based paint is "disturbed or removed" if the work of improvement or alteration involves any action that creates friction, pressure, heat or a chemical reaction upon any lead-based or presumed lead-based paint on an exterior surface so as to abrade, loosen, penetrate, cut through or eliminate paint from that surface. Notice to Sublandlord under this sublease shall not constitute notice to the City's Department of Building Inspection required under Section 3407 of the San Francisco Building Code.

- 8.2. <u>Historic Properties</u>. Without limiting the generality of the foregoing, Subtenant acknowledges and agrees that, pursuant to Section 15 of the Master Lease, no Alterations may be made to any improvements on the Premises (i) which will affect the historic characteristics of the improvements or modify the appearance of the exterior of the improvements without Master Landlord's and Sublandlord's prior written consent, or (ii) if such Alterations would preclude qualifying the improvements for inclusion on the National Register for Historic Places.
- 8.3. Ownership of Alterations. Any Alterations constructed on or affixed to the Premises by or on behalf of Subtenant pursuant to the terms and limitations of this Section 8 shall be and remain Subtenant's property during the Term. Upon the termination of this Sublease, Subtenant shall remove all such Alterations from the Premises in accordance with the provisions of Section 19 hereof, unless Sublandlord, at its sole option and without limiting any of the provisions of Section 8.1 above, requires that such Alterations remain on the Premises following the expiration or termination of this Sublease.
- 8.4. Subtenant's Personal Property. All furniture, furnishings and articles of movable personal property and equipment used upon or installed in the Premises by or for the account of Subtenant that can be removed without structural or other material damage to the Premises (all of which are herein called "Subtenant's Personal Property") shall be and remain the property of Subtenant and shall be removed by Subtenant, subject to the provisions of Section 19 hereof. Subtenant shall be solely responsible for providing any security or other protection of or maintenance to Subtenant's Personal Property.
- 8.5. <u>Sublandlord's Alterations</u>. Sublandlord reserves the right at any time to make alterations, additions, repairs, deletions or improvements to the common areas or any other part of the improvements on the Premises; provided, that any such alterations or additions shall not materially adversely affect the functional utilization of the Premises for the purposes stated herein.

9. REPAIRS AND MAINTENANCE

- 9.1. Subtenant Responsible for Maintenance and Repair. Subtenant assumes full and sole responsibility for the condition, operation, repair and maintenance and management of the Premises from and after the Commencement Date and shall keep the Premises in good condition and repair. Sublandlord shall not be responsible for the performance of any repairs, changes or alterations to the Premises, nor shall Sublandlord be liable for any portion of the cost thereof. Subtenant shall make all repairs and replacements, interior and exterior, structural as well as non-structural, ordinary as well as extraordinary, foreseen and unforeseen, which may be necessary to maintain the Premises at all times in a clean, safe, attractive and sanitary condition and in good order and repair, to Sublandlord's and Master Landlord's reasonable satisfaction, provided, however, that neither Subtenant nor Sublandlord shall be required to make structural repairs or Alterations to correct conditions affecting the Premises existing prior to the Commencement Date. If any portion of the Premises is damaged by any activities conducted by Subtenant or Subtenant's Agents or Subtenant's Invitees hereunder, Subtenant shall immediately, at its sole cost, repair all such damage and restore the Premises to its previous condition.
- 9.2. <u>Utilities</u>. Sublandlord shall provide the basic utilities and services described in the attached <u>Exhibit E</u> (the "Standard Utilities and Services") to the Premises, subject to the terms and conditions contained therein. Subtenant shall be responsible for furnishing, at its sole cost, any utilities or services other than or in excess of the Standard Utilities and Services that Subtenant may need for its use of the Premises. Subtenant shall pay, without set off or counterclaim, all amounts due and owing for such Standard Utilities and Services at the rates provided in and as otherwise set forth in <u>Exhibit E</u>.
- **9.3.** Landscaping. Sublandlord shall maintain the exterior landscaping of the Premises in good condition and repair.
- Janitorial Services. Subtenant shall provide all janitorial services for the Premises.
- 9.5. <u>Pest Control</u>. Subtenant shall provide and pay for all pest control services required within the Premises, and shall keep the Premises free of all pests at all times.
- 9.6. <u>Trash</u>. Subtenant shall deposit all trash into designated containers in the Premises in compliance with the Rules and Regulations attached hereto as <u>Exhibit D</u>. Subtenant shall pay for the removal of trash from the designated containers. Subtenant shall abide by all rules established by Sublandlord or Master Landlord for the handling of trash.
- 9.7. No Right to Repair and Deduct. Subtenant expressly waives the benefit of any existing or future Laws or judicial or administrative decision that would otherwise permit Subtenant to make repairs or replacements at Sublandlord's expense, or to terminate this Sublease because of Sublandlord's failure to keep the Premises or any part thereof in good order, condition or repair, or to abate or reduce any of Subtenant's obligations hereunder on account of the Premises or any part thereof being in need of repair or replacement. Without limiting the foregoing, Subtenant

expressly waives the provisions of California Civil Code Sections 1932, 1941 and 1942 or any similar Laws with respect to any right of Subtenant to terminate this Sublease and with respect to any obligations of Sublandlord hereunder or any right of Subtenant to make repairs or replacements and deduct the cost thereof from Rent.

10. LIENS

10.1. Liens. Subtenant shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by or for Subtenant. In the event Subtenant does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, Sublandlord shall have in addition to all other remedies provided herein and by law or equity the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by Sublandlord and all expenses it incurs in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to Sublandlord by Subtenant upon demand. Sublandlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law or that Sublandlord deems proper for its protection and protection of the Premises from mechanics' and materialmen's liens. Subtenant shall give Sublandlord at least fifteen (15) days' prior written notice of the commencement of any repair or construction on any of the Premises.

11. COMPLIANCE WITH LAWS

11.1. Compliance with Laws. Subtenant shall promptly, at its sole expense, maintain the Premises and Subtenant's use and operations thereon in strict compliance at all times with all present and future Laws, whether foreseen or unforeseen, ordinary as well as extraordinary; provided, however Subtenant shall not be required to make repairs or structural changes to the Premises required solely to correct conditions affecting the Premises existing prior to the Commencement Date or not related to Subtenant's use of the Premises, unless the requirement for such changes is imposed as a result of any Alterations made or requested to be made by Subtenant. Such Laws shall include, without limitation, all Laws relating to health and safety and disabled accessibility including, without limitation, the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq. and Title 24 of the California Code of Regulations, all present and future Environmental Laws (as defined in this Sublease below), and all applicable provisions of the San Francisco Environment Code. No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall give Subtenant any right to seek redress against Sublandlord for failing to comply with any Laws. Subtenant waives any rights now or hereafter conferred upon it by any existing or future Law to compel Sublandlord to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

11.2. Regulatory Approvals; Responsible Party.

Subtenant understands and agrees that Subtenant's use of the Premises and construction of any Alterations permitted hereunder may require authorizations, approvals or permits from governmental regulatory agencies with jurisdiction over the Premises. Subtenant shall be solely responsible for obtaining any and all such regulatory approvals, including without limitation, any liquor permits or approvals. Subtenant shall not seek any regulatory approval without first obtaining the written consent of Sublandlord. Subtenant shall bear all costs associated with applying for, obtaining and maintaining any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval. Any fines or penalties levied as a result of Subtenant's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Subtenant, and Sublandlord shall have no liability, monetary or otherwise, for any such fines or penalties. Subtenant shall indemnify, protect, defend and hold harmless forever ("Indemnify") Sublandlord, City and Master Landlord, including, but not limited to, all of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees, contractors, boards, commissions, departments, agencies and other subdivisions and each of the persons acting by, through or under each of them, and their respective heirs, legal representatives, successors and assigns, and each of them (the "Indemnified Parties"), against any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses") arising in connection with Subtenant's failure to obtain or comply with the terms and conditions of any regulatory approval.

11.3. Compliance with Sublandlord's Risk Management Requirements. Subtenant shall not do anything, or permit anything to be done, in or about the Premises or to any Alterations permitted hereunder that would create any unusual fire risk, and shall take commercially reasonable steps to protect Sublandlord from any potential premises liability. Subtenant shall faithfully observe, at its expense, any and all reasonable requirements of Sublandlord's Risk Manager with respect thereto and with the requirements of any policies of commercial general liability, all risk property or other policies of insurance at any time in force with respect to the Premises and any Alterations as required hereunder.

12. ENCUMBRANCES

Notwithstanding anything to the contrary contained in this Sublease, Subtenant shall not under any circumstances whatsoever create any mortgage, deed of trust, assignment of rents, fixture filing, security agreement, or similar security instrument, or other lien or encumbrance or assignment or pledge of an asset as security in any manner against the Premises or Sublandlord's or Subtenant's interest under this Sublease.

13. DAMAGE OR DESTRUCTION

13.1. Damage or Destruction to the Premises. In the case of damage to or destruction of the

Premises by earthquake, fire, flood or any other casualty, which (i) is not caused by Subtenant or Subtenant's Agents or Subtenant's Invitees, (ii) is not covered by the insurance described in Section 17 below, (ii) prevents Subtenant from operating the Premises for the purposes stated herein, and (iv) costs more to repair than the Repair amount set forth in the Basic Lease Information, either party may terminate this Sublease upon thirty (30) days prior written notice and upon any such termination Subtenant shall surrender the Premises in accordance with Section 19 (except for damage caused by a casualty pursuant to which this Sublease may be terminated under this Section 13.1) and both Parties shall be relieved of any liability for such termination or for repairing such damage. If neither Party terminates this Sublease as provided in this Section 13.1, then Subtenant shall, at its sole cost, promptly restore, repair, replace or rebuild the Premises to the condition the Premises were in prior to such damage or destruction, subject to any Alterations made in strict accordance with the requirements of Section 8.1 above. Under no circumstances shall Sublandlord have any obligation to repair, replace or rebuild the Premises in the event of a casualty.

- 13.2. No Abatement in Rent. In the event of any damage or destruction to the Premises, and if neither party terminates this Sublease as provided in <u>Section 13.1</u> above, there shall be no abatement in the Rent payable hereunder.
- 13.3. <u>Waiver</u>. The Parties understand and agree that the foregoing provisions of this Section are intended to govern fully the rights and obligations of the Parties in the event of damage or destruction to the Premises or Alterations, and Sublandlord and Subtenant each hereby waives and releases any right to terminate this Sublease in whole or in part under Sections 1932.2 and 1933.4 of the Civil Code of California or under any similar Laws now or hereafter in effect, to the extent such rights are inconsistent with the provisions hereof.

14. ASSIGNMENT AND SUBLETTING

- 14.1. Restriction on Assignment and Subletting. Subtenant shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Subtenant), voluntarily or by operation of Law, sell, assign, encumber, pledge, sublease or otherwise transfer any part of its interest in or rights with respect to the Premises, any Alterations or its interest in this Sublease, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet any portion of the Premises (a "Transfer"), without Sublandlord's prior written consent in each instance, which Sublandlord may grant or withhold in its sole and absolute discretion. Subtenant shall provide Sublandlord with a written notice of its intention to Transfer this Sublease or the Premises, together with a copy of the proposed Transfer agreement at least thirty (30) days prior to the commencement date of the proposed Transfer. Subtenant shall provide Sublandlord with such information regarding the proposed Transfer as Sublandlord may reasonably request.
- 14.2. <u>Bonus Rental</u>. If Sublandlord consents to a Transfer of any of Subtenant's interest in or rights with respect to the Premises pursuant to <u>Section 14.1</u> above, then one hundred percent (100%) of any rent or other consideration payable to Subtenant in excess of the Base Rent

payable hereunder (or the proportionate share thereof applicable to the portion of the Premises that is subject to the Transfer) shall be paid to Sublandlord immediately upon receipt by Subtenant.

15. DEFAULT; REMEDIES

- **15.1.** Events of Default. Any of the following shall constitute an event of default ("Event of Default") by Subtenant hereunder:
- (a) <u>Failure to Pay Rent</u>. Any failure to pay any Rent or any other sums due hereunder, including sums due for utilities, within five (5) days after such sums are due;
- (b) <u>Covenants, Conditions and Representations</u>. Any failure to perform or comply with any other covenant, condition or representation made under this Sublease; provided, Subtenant shall have a period of ten (10) days from the date of written notice from Sublandlord of such failure within which to cure such default under this Sublease, or, if such default is not capable of cure within such 10-day period, Subtenant shall have a reasonable period to complete such cure if Subtenant promptly undertakes action to cure such default within such 10-day period and thereafter diligently prosecutes the same to completion and uses its best efforts to complete such cure within sixty (60) days after the receipt of notice of default from Sublandlord;
- (c) <u>Vacation or Abandonment</u>. Any abandonment of the Premises for more than fourteen (14) consecutive days;
- (d) <u>Bankruptey</u>. The appointment of a receiver to take possession of all or substantially all of the assets of Subtenant, or an assignment by Subtenant for the benefit of creditors, or any action taken or suffered by Subtenant under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted; and
- (e) <u>Notices of Default</u>. The delivery to Subtenant of three (3) or more notices of default within any twelve (12) month period, irrespective of whether Subtenant actually cures such default within the specified time period, may, in the sole and absolute discretion of the Authority, be deemed an incurable breach of this Sublease allowing the Authority to immediately terminate this Sublease without further notice or demand to Subtenant.
- **15.2.** Remedies. Upon the occurrence of an Event of Default by Subtenant, Sublandlord shall have the following rights and remedies in addition to all other rights and remedies available to Sublandlord at Law or in equity:
- (a) <u>Terminate Sublease and Recover Damages</u>. The rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate Subtenant's right to possession of the Premises and to recover the worth at the time of award of the amount by which the unpaid Rent for the balance of the

Ferm after the time of award exceeds the amount of rental loss for the same period that Subtenant proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2. Sublandlord's efforts to mitigate the damages caused by Subtenant's breach of this Sublease shall not waive Sublandlord's rights to recover unmitigated damages upon termination.

- (b) <u>Appointment of Receiver</u>. The right to have a receiver appointed for Subtenant upon application by Sublandlord to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to Sublandlord pursuant to this Sublease.
- 15.3. Sublandlord's Right to Cure Subtenant's Defaults. If Subtenant defaults in the performance of any of its obligations under this Sublease, then Sublandlord may at any time thereafter with three (3) days prior written notice (except in the event of an emergency as determined by Sublandlord where prior notice by Sublandlord is impractical), remedy such Event of Default for Subtenant's account and at Subtenant's expense. Subtenant shall pay to Sublandlord, as Additional Charges, promptly upon demand, all sums expended by Sublandlord, or other costs, damages, expenses or liabilities incurred by Sublandlord, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such Event of Default. Subtenant's obligations under this Section shall survive the termination of this Sublease. Nothing herein shall imply any duty of Sublandlord to do any act that Subtenant is obligated to perform under any provision of this Sublease, and Sublandlord's cure or attempted cure of Subtenant's Event of Default shall not constitute a waiver of Subtenant's Event of Default or any rights or remedies of Sublandlord on account of such Event of Default.

16. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

- 16.1. Release and Waiver of Claims. Subtenant, on behalf of itself and Subtenant's Agents, covenants and agrees that the Indemnified Parties shall not be responsible for or liable to Subtenant for, and, to the fullest extent allowed by any Laws, Subtenant hereby waives all rights against the Indemnified Parties and releases them from, any and all Losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the Premises due to an earthquake or subsidence, except only to the extent such Losses are caused solely by the gross negligence or willful misconduct of the Indemnified Parties. Without limiting the generality of the foregoing:
- (a) Subtenant expressly acknowledges and agrees that the Rent payable hereunder does not take into account any potential liability of the Indemnified Parties for any consequential or incidental damages including, but not limited to, lost profits arising out of disruption to Subtenant's uses hereunder. Sublandlord would not be willing to enter into this Sublease in the absence of a complete waiver of liability for consequential or incidental damages due to the acts or omissions of the Indemnified Parties, and Subtenant expressly assumes the risk with respect thereto. Accordingly, without limiting any indemnification obligations of Subtenant or other

waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action for consequential and incidental damages and covenants not to sue the Indemnified Parties for such damages arising out of this Sublease or the uses authorized hereunder, including, without limitation, any interference with uses conducted by Subtenant pursuant to this Sublease regardless of the cause.

- (b) Without limiting any indemnification obligations of Subtenant or other waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against, and covenants not to sue the Indemnified Parties under any present or future Laws, statutes, or regulations, including, but not limited to, any claim for inverse condemnation or the payment of just compensation under the law of eminent domain, or otherwise at equity, in the event that Sublandlord terminates this Sublease because of such claim for inverse condemnation or eminent domain.
- (c) As part of Subtenant's agreement to accept the Premises in its "As Is" condition as provided herein, and without limiting such agreement and any other waiver contained herein, Subtenant on behalf of itself and its successors and assigns, waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the physical or environmental condition of the Premises and any related improvements or any Laws or regulations applicable thereto or the suitability of the Premises for Subtenant's intended use.
- (d) Subtenant acknowledges that it will not be a displaced person at the time this Sublease is terminated, and Subtenant fully RELEASES, WAIVES AND DISCHARGES the Indemnified Parties from any and all Losses and any and all claims, demands or rights against any of the Indemnified Parties under any present and future Laws, including, without limitation, any and all claims for relocation benefits or assistance from the Indemnified Parties under federal and state relocation assistance laws.
- (e) Without limiting any other waiver contained herein, Subtenant, on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way connected with the Indemnified Parties' decision to Sublease the Premises to Subtenant, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Indemnified Parties.
- (f) Subtenant covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Indemnified Parties any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this

Section 16.1.

- (g) In executing these waivers and releases, Subtenant has not relied upon any representation or statement other than as expressly set forth herein.
- (h) Subtenant had made such investigation of the facts pertaining to these waivers and releases as it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Subtenant regardless of any claims of mistake.
- (i) In connection with the foregoing releases, Subtenant acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Subtenant acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Subtenant realizes and acknowledges that it has agreed upon this Sublease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Sublease.

16.2. Subtenant's Indemnity. Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties from and against any and all Losses arising out of Subtenant's use of the Premises, including but not limited to, any Losses arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Subtenant or Subtenant's Agents or Subtenant's Invitees; (b) any accident, injury to or death of a person, including, without limitation, Subtenant's Agents and Subtenant's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises; (c) any default by Subtenant in the observation or performance of any of the terms, covenants or conditions of this Sublease to be observed or performed on Subtenant's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Subtenant, Subtenant's Agents or Subtenant's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) any construction or other work undertaken by Subtenant on or about the Premises; and (f) any acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees, in, on, or about the Premises or any Alterations, except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Sublease and further except only to the extent such Losses are caused solely by the gross negligence or intentional wrongful acts and omissions of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Sublandlord's costs of

investigating any Loss. Subtenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter. Subtenant's obligations under this Section shall survive the expiration or sooner termination of this Sublease.

17. INSURANCE

- 17.1. Required Insurance Coverage. Subtenant, at its sole cost and expense, shall maintain, or cause to be maintained, through the Term of this Sublease, the following insurance:
- (a) <u>General Liability Insurance</u>. Comprehensive or commercial general liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, Two Million Dollars (\$2,000,000) aggregate for bodily injury and property damage, including coverages for contractual liability, independent contractors, broad form property damage, personal injury, products and completed operations, fire damage and legal liability with limits not less than One Million Dollars (\$1,000,000), explosion, collapse and underground (XCU).
- (b) <u>Automobile Liability Insurance</u>. Comprehensive or business automobile liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including coverages for owned and hired vehicles and for employer's non-ownership liability, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Subtenant's activity on the Premises or the Permitted Use.
- (c) <u>Worker's Compensation and Employer's Liability Insurance</u>. If Subtenant has employees, Worker's Compensation Insurance in statutory amounts with Employer's Liability with limits not less than One Million Dollars (\$1,000,000.00) for each accident, injury or illness, on employees eligible for each.
- (d) <u>Personal Property Insurance</u>. Subtenant, at its sole cost and expense, shall procure and maintain on all of its personal property and Alterations, in, on, or about the Premises, property insurance on an all risk form, excluding earthquake and flood, to the extent of full replacement value. The proceeds from any such policy shall be used by Subtenant for the replacement of Subtenant's personal property.
- (e) Other Coverage. Such other insurance or different coverage amounts as is required by law or as is generally required by commercial owners of property similar in size, character, age and location as the Premises, as may change from time to time, or as may be required by the City's Risk Manager.
- 17.2. <u>Claims-Made Policies</u>. If any of the insurance required in Section 17.1 above is provided under a claims-made form of policy, Subtenant shall maintain such coverage

continuously throughout the Term and without lapse for a period of three (3) years beyond the termination of this Sublease, to the effect that should occurrences during the Term give rise to claims made after termination of this Sublease, such claims shall be covered by such claimsmade policies.

- 17.3. <u>Annual Aggregate Limits</u>. If any of the insurance required in Section 17.1 above is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.
- 17.4. Payment of Premiums. Subtenant shall pay the premiums for maintaining all required insurance.
- 17.5. <u>Waiver of Subrogation Rights</u>. Notwithstanding anything to the contrary contained herein, Sublandlord and Subtenant (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Facility or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Sublease or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Facility or the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

17.6. General Insurance Matters.

- (a) All liability insurance policies required to be maintained by Subtenant hereunder shall contain a cross-liability clause, shall name as additional insureds the "THE TREASURE ISLAND DEVELOPMENT AUTHORITY, CITY AND COUNTY OF SAN FRANCISCO, THE UNITED STATES OF AMERICA, ACTING BY AND THROUGH THE DEPARTMENT OF THE NAVY, AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS," shall be primary to any other insurance available to the additional insureds with respect to claims arising under this Sublease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.
- (b) All insurance policies required to be maintained by Subtenant hereunder shall be issued by an insurance company or companies reasonably acceptable to Sublandlord with an AM Best rating of not less than A-VIII and authorized to do business in the State of California.
- (c) All insurance policies required to be maintained by Subtenant hereunder shall provide for thirty (30) days' prior written notice of cancellation for any reason, intended non-renewal, or reduction in coverage to Subtenant and Sublandlord. Such notice shall be given in accordance with the notice provisions of Section 21.1 below.

- (d) Subtenant shall deliver to Sublandlord certificates of insurance and additional insured policy endorsements in a form satisfactory to Sublandlord evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Subtenant shall, upon Sublandlord's request, promptly furnish Sublandlord with a complete copy of any insurance policy required hereunder.
- (e) Not more often than every year and upon not less than sixty (60) days' prior written notice, Sublandlord may require Subtenant to increase the insurance limits set forth in Section 17.1 above if Sublandlord finds in its reasonable judgment that it is the general commercial practice in San Francisco to carry insurance in amounts substantially greater than those amounts carried by Subtenant with respect to risks comparable to those associated with the use of the Premises.
- (f) Subtenant's compliance with the provisions of this Section shall in no way relieve or decrease Subtenant's indemnification obligations herein or any of Subtenant's other obligations or liabilities under this Sublease.
- (g) Notwithstanding anything to the contrary in this Sublease, Sublandlord may elect in Sublandlord's sole and absolute discretion to terminate this Sublease upon the lapse of any required insurance coverage by written notice to Subtenant.

18. ACCESS BY SUBLANDLORD

18.1. Access to Premises by Sublandlord.

- (a) <u>General Access</u>. Sublandlord reserves for itself and Sublandlord's Agents, the right to enter the Premises and any portion thereof at all reasonable times upon not less than twenty-four (24) hours oral or written notice to Subtenant (except in the event of an emergency) for any purpose.
- (b) Emergency Access. In the event of any emergency, as determined by Sublandlord, Sublandlord may, at its sole option and without notice, enter the Premises and alter or remove any Alterations or Subtenant's Personal Property on or about the Premises. Sublandlord shall have the right to use any and all means Sublandlord considers appropriate to gain access to any portion of the Premises in an emergency. In such case, Sublandlord shall not be responsible for any damage or injury to any such property, nor for the replacement of any such property and any such emergency entry shall not be deemed to be a forcible or unlawful entry onto or a detainer of, the Premises, or an eviction, actual or constructive, of Subtenant from the Premises or any portion thereof.
- (c) <u>No Liability</u>. Sublandlord shall not be liable in any manner, and Subtenant hereby waives any claims, for any inconvenience, disturbance, loss of business, nuisance or other

damage arising out of Sublandlord's entry onto the Premises, except damage resulting directly and exclusively from the gross negligence or willful misconduct of Sublandlord or Sublandlord's Agents and not contributed to by the acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitces.

18.2. <u>Access to Premises by Master Landlord.</u> Subtenant acknowledges and agrees that Master Landlord shall have all of the rights of access to the Premises described in the Master Lease.

19. SURRENDER

- 19.1. Surrender of the Premises. Upon the termination of this Sublease, Subtenant shall surrender to Sublandlord the Premises in the same condition as of the Commencement Date, ordinary wear and tear excepted, and free and clear of all liens, easements and other encumbrances created or suffered by, through or under Subtenant. On or before any termination hereof, Subtenant shall, at its sole cost, remove any and all of Subtenant's Personal Property from the Premises and demolish and remove any and all Alterations from the Premises (except for any Alterations that Sublandlord agrees are to remain part of the Premises pursuant to the provisions of Section 8.3 above). In addition, Subtenant shall, at its sole expense, repair any damage to the Premises resulting from the removal of any such items and restore the Premises to their condition immediately prior to the presence of any Alterations. In connection therewith, Subtenant shall obtain any and all necessary permits and approvals, including, without limitation, any environmental permits, and execute any manifests or other documents necessary to complete the demolition, removal or restoration work required hereunder. Subtenant's obligations under this Section shall survive the termination of this Sublease. Any items of Subtenant's Personal Property remaining on or about the Premises after the termination of this Sublease may, at Sublandlord's option and after thirty (30) days written notice to Subtenant, be deemed abandoned and in such case Sublandlord may dispose of such property in accordance with Section 1980, et seq., of the California Civil Code or in any other manner allowed by Law.
- 19.2. No Holding Over. If Subtenant fails to surrender the Premises to Sublandlord upon the termination of this Sublease as required by this Section, Subtenant shall Indemnify Sublandlord against all Losses resulting therefrom, including, without limitation, Losses made by a succeeding Subtenant resulting from Subtenant's failure to surrender the Premises. Subtenant shall have no right to hold over without the prior written consent of Sublandlord, which consent may be withheld in Sublandlord's sole and absolute discretion. If Sublandlord holds over the Premises or any part thereof after expiration or earlier termination of this Sublease, such holding over shall be terminable upon written notice by Sublandlord, and the Base Rent shall be increased to two hundred percent (200%) of the Base Rent in effect immediately prior to such holding over, and such holdover shall otherwise be on all the other terms and conditions of this Sublease. This Section shall not be construed as Sublandlord's permission for Subtenant to hold over. Acceptance of any holdover Base Rent by Sublandlord following expiration or termination of this Sublease shall not constitute an extension or renewal of this Sublease.

19.3. Security Deposit. Subtenant shall pay to Sublandlord upon execution of this Sublease a security deposit in the amount set forth in the Basic Sublease Information as security for the faithful performance of all terms, covenants and conditions of this Sublease. Subtenant agrees that Sublandlord may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Subtenant's Agents or Subtenant's Invitees, or any failure of Subtenant to perform any other terms, covenants or conditions contained in this Sublease, without waiving any of Sublandlord's other rights and remedies hereunder or at Law or in equity. Should Sublandlord use any portion of the security deposit to cure any Event of Default by Subtenant hereunder, Subtenant shall immediately replenish the security deposit to the original amount, and Subtenant's failure to do so within five (5) days of Sublandlord's notice shall constitute a material Event of Default under this Sublease. Sublandlord's obligations with respect to the security deposit are solely that of debtor and not trustee. Sublandlord shall not be required to keep the security deposit separate from its general funds, and Subtenant shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Subtenant's liability for the performance of any of its obligations under this Sublease. To the extent that Sublandlord is not entitled to retain or apply the security deposit pursuant to this Section 20.3, Sublandlord shall return such security deposit to Subtenant within forty-five (45) days of the termination of this Sublease.

20. HAZARDOUS MATERIALS

20.1. No Hazardous Materials. Subtenant covenants and agrees that neither Subtenant nor any of Subtenant's Agents or Subtenant's Invitees shall cause or permit any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment, including, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended (42 U.S.C. Sections 9601 et seq.), or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Premises, or are naturally occurring substances on, in or about the Premises; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids ("Hazardous Material") to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or transported to or from the Premises without the prior written approval of Sublandlord, which approval may be withheld in Sublandlord's sole and absolute discretion. Subtenant shall immediately notify Sublandlord if and when Subtenant learns or has reason to believe there has been any release of Hazardous Material in, on or about the Premises. Sublandlord may from time to time request Subtenant to provide adequate information for Sublandlord to determine that any Hazardous Material permitted hereunder is being handled in compliance with all applicable federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental

conditions in, on, under or about the Premises and any other property, including, without limitation, soil, air and groundwater conditions ("Environmental Laws"), and Subtenant shall promptly provide all such information. Sublandlord and Sublandlord's Agents shall have the right to inspect the Premises for Hazardous Material and compliance with the provisions hereof at all reasonable times upon reasonable advance oral or written notice to Subtenant (except in the event of an emergency). Subtenant agrees that it shall comply, without limiting the foregoing, with the provisions of Article 21 of the San Francisco Health Code including, without limitation, regarding obtaining and complying with the requirements of an approved hazardous materials management plan, and with the requirements of the environmental protection provisions provided for in Section 13 of the Master Lease.

20.2. Subtenant's Environmental Indemnity. If Subtenant breaches any of its obligations contained in Section 20.1 above, or, if any act or omission or negligence of Subtenant or any of Subtenant's Agents or Subtenant's Invitees results in any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leeching or dumping ("Release") of Hazardous Material in, on, under or about the Premises or the Property, without limiting Subtenant's general Indomnity contained in Section 16.2 above, Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties, and each of them, from and against any and all enforcement, investigation, remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental Laws together with any and all Losses made or threatened by any third party against Sublandlord, Sublandlord's Agents, or the Premises, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, Release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law, investigation and remediation costs, fines, natural resource damages, damages for decrease in value of the Premises, the loss or restriction of the use or any amenity of the Premises and attorneys' fees and consultants' fees and experts' fees and costs ("Hazardous Materials Claims") arising during or after the Term of this Sublease and relating to such Release. The foregoing Indemnity includes, without limitation, all costs associated with the investigation and remediation of Hazardous Material and with the restoration of the Premises or the Property to its prior condition including, without limitation, fines and penalties imposed by regulatory agencies, natural resource damages and losses, and revegetation of the Premises or other Sublandlord property. Without limiting the foregoing, if Subtenant or any of Subtenant's Agents or Subtenant's Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or the Property, Subtenant shall, immediately, at no expense to Sublandlord, take any and all appropriate actions to return the Premises or other Sublandlord property affected thereby to the condition existing prior to such Release and otherwise investigate and remediate the Release in accordance with all Environmental Laws. Subtenant shall provide Sublandlord with written notice of and afford Sublandlord a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, permit, approvals, or other compromise or proceeding involving Hazardous Material.

20.3. <u>Acknowledgment of Receipt of EBS and FOSL Reports</u>. Subtenant hereby acknowledges for itself and Subtenant's Agents that, prior to the execution of this Sublease, it

has received and reviewed the Environmental Baseline Survey ("EBS") and the Finding of Suitability to Lease ("FOSL") described in Section 7 of the Master Lease. California law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous Materials. Accordingly, Subtenant is hereby advised that occupation of the Premises may lead to exposure to Hazardous Materials such as, but not limited to, gasoline, diesel and other vehicle fluids, vehicle exhaust, office maintenance fluids, tobacco smoke, methane and building materials containing chemicals, such as formaldehyde. Further, there are Hazardous Materials located on the Premises as described in the EBS and the FOSL. In addition, California's Proposition 65, Health and Safety Code Section 25249.6 et seq., requires notice that some of these Hazardous Materials are known by the State of California to cause cancer or reproductive harm. By execution of this Sublease, Subtenant acknowledges that the notices and warnings set forth above satisfy the requirements of California Health and Safety Code Sections 25249.6 et seq., 25359.7 and related statutes.

21. GENERAL PROVISIONS

- 21.1. Notices. Except as otherwise expressly provided in this Sublease, any notice given hereunder shall be effective only in writing and given by delivering the notice in person, or by sending it first class mail or certified mail with a return receipt requested or reliable commercial overnight courier, return receipt requested, with postage prepaid, to the appropriate addresses set forth in the Basic Sublease Information. Any Party hereunder may designate a new address for notice purposes hereunder at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made, if sent by commercial overnight carrier, or upon the date personal delivery is made, and any refusal by either Party to accept the attempted delivery of any notice, if such attempted delivery is in compliance with this Section 21.1 and applicable Laws, shall be deemed receipt of such notice.
- 21.2. No Implied Waiver. No failure by Sublandlord to insist upon the strict performance of any obligation of Subtenant under this Sublease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial payment of Rent due hereunder during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of Sublandlord, shall constitute a waiver of such breach or of Sublandlord's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Sublease. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance. The consent of Sublandlord given in any instance under the terms of this Sublease shall not relieve Subtenant of any obligation to secure the consent of Sublandlord in any other or future instance under the terms of this Sublease.

- 21.3. <u>Amendments</u>. Neither this Sublease nor any term or provision hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the Parties hereto.
- 21.4. <u>Authority.</u> If Subtenant signs as a corporation, a partnership or a limited liability company, each of the persons executing this Sublease on behalf of Subtenant does hereby covenant and warrant that Subtenant is a duly authorized and existing entity, that Subtenant has and is qualified to do business in California, that Subtenant has full right and authority to enter into this Sublease, and that each and all of the persons signing on behalf of Subtenant are authorized to do so. Upon Sublandlord's request, Subtenant shall provide Sublandlord with evidence reasonably satisfactory to Sublandlord confirming the foregoing representations and warranties. Without limiting the generality of the foregoing, Subtenant represents and warrants that it has full power to make the waivers and releases, indemnities and the disclosures set forth herein, and that it has received independent legal advice from its attorney as to the advisability of entering into a sublease containing those provisions and their legal effect.
- 21.5. <u>Joint and Several Obligations</u>. The word "Subtenant" as used herein shall include the plural as well as the singular. If there is more than one Subtenant, the obligations and liabilities under this Sublease imposed on Subtenant shall be joint and several.
- 21.6. Interpretation of Sublease. The captions preceding the articles and sections of this Sublease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Sublease. This Sublease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the party responsible for drafting any part of this Sublease. Provisions in this Sublease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or Sublandlord holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Sublease, whether or not language of non-limitation, such as "without limitation" or similar words, are used. Unless otherwise provided herein, whenever the consent of Sublandlord is required to be obtained by Subtenant hereunder, Sublandlord may give or withhold such consent in its sole and absolute discretion.
- 21.7. Successors and Assigns. Subject to the provisions of Section 14, the terms, covenants and conditions contained in this Sublease shall bind and inure to the benefit of Sublandlord and Subtenant and, except as otherwise provided herein, their personal representatives and successors and assigns; provided, however, that upon any transfer by Sublandlord (or by any subsequent Sublandlord) of its interest in the Premises as lessee, including any transfer by operation of Law, Sublandlord (or any subsequent Sublandlord) shall be relieved from all subsequent obligations and liabilities arising under this Sublease subsequent to such transfer.

- 21.8. Brokers. Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the Sublease contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Losses incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Sublease.
- 21.9. Severability. If any provision of this Sublease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Sublease shall be valid and be enforceable to the fullest extent permitted by Law.
- 21.10. Governing Law. This Sublease shall be construed and enforced in accordance with the Laws of the State of California and the federal government.
- 21.11. Entire Agreement. This instrument (including the exhibits hereto, which are made a part of this Sublease) contains the entire agreement between the Parties and supersedes all prior written or oral negotiations, discussions, understandings and agreements. The Parties further intend that this Sublease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts of this Sublease and any changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Sublease. Subtenant hereby acknowledges that neither Sublandlord nor Sublandlord's Agents have made any representations or warranties with respect to the Premises or this Sublease except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Subtenant by implication or otherwise unless expressly set forth herein.
- 21.12. Attorneys' Fees. In the event that either Sublandlord or Subtenant fails to perform any of its obligations under this Sublease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Sublease, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees. For purposes of this Sublease, reasonable fees of attorneys in the Office of the San Francisco City Attorney (Sublandlord's General Counsel) shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City and County of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. Further, for purposes of this Sublease, the term "attorneys' fees" shall mean the fees and expenses of counsel to the Parties, which may include printing,

duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, librarians and others not admitted to the bar but performing services under the supervision of an attorney. The term "attorneys' fees" shall also include, without limitation, all such fees and expenses incurred with respect to appeals, mediations, arbitrations, and bankruptey proceedings, and whether or not any action is brought with respect to the matter for which such fees and costs were incurred. The term "attorney" shall have the same meaning as the term "rounsel"

- 21.13. <u>Time of Essence</u>. Time is of the essence with respect to all provisions of this Sublease in which a definite time for performance is specified.
- 21.14. <u>Cumulative Remedies</u>. All rights and remedies of either party hereto set forth in this Sublease shall be cumulative, except as may otherwise be provided herein.
- 21.15. Survival of Indemnities. Termination of this Sublease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Sublease, nor shall it affect any provision of this Sublease that expressly states it shall survive termination hereof. Subtenant specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Sublease, Subtenant has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter.
- 21.16. <u>Relationship of Parties</u>. Sublandlord is not, and none of the provisions in this Sublease shall be deemed to render Sublandlord, a partner in Subtenant's business, or joint venturer or member in any joint enterprise with Subtenant. This Sublease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided. The granting of this Sublease by Sublandlord does not constitute authorization or approval by Sublandlord of any activity conducted by Subtenant on, in or relating to the Premises.
- 21.17. Recording. Subtenant agrees that it shall not record this Sublease nor any memorandum or short form hereof in the official records of any county.
- 21.18. Non-Liability of Indemnified Parties' Officials, Employees and Agents. No elective or appointive board, commission, member, officer or employee of any of the Indemnified Parties shall be personally liable to Subtenant, its successors and assigns, in the event of any default or breach by Sublandlord or for any amount which may become due to Subtenant, its successors and assigns, or for any obligation of Sublandlord under this Sublease.
- 21.19. No Discrimination. Subtenant shall comply with the non-discrimination provisions of Section 19.1 of the Master Lease, including, without limitation, posting all notices required therein.

- 21.20. <u>Counterparts</u>. This Sublease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- 21.21. <u>Master Landlord's Consent</u>. This Sublease is expressly conditioned upon receipt of the written consent of Master Landlord.

22. SPECIAL PROVISIONS

- 22.1. Signs. Subtenant agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Premises or from the exterior of the Premises, without Sublandlord's prior written consent, which Sublandlord may withhold or grant in its sole discretion.
- 22.2. <u>Public Transit Information</u>. Subtenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Subtenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Premises and encouraging use of such facilities, all at Subtenant's sole expense.
- **22.3.** <u>TIHDI Job Broker</u>. Subtenant shall comply with the requirements of the TIHDI Work Force Hiring Plan attached hereto as $\underline{\text{Exhibit } F}$.
- **22.4.** <u>Local Hiring</u>. Subtenant further agrees to use good faith efforts to hire residents of the City and County of San Francisco at all levels of Subtenant's personnel needs and to contract with local businesses for Subtenant's purchase of supplies, materials, equipment or services.

22.5. Non-Discrimination in City Contracts and Benefits Ordinance.

- (a) <u>Covenant Not to Discriminate</u>. In the performance of this Sublease, Subtenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with, Subtenant in any of Subtenant's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Subtenant.
- (b) Sub-Subleases and Other Subcontracts. Subtenant shall include in all sub-subleases

and other subcontracts relating to the Premises a non-discrimination clause applicable to such sub-subtenant or other subcontractor in substantially the form of <u>subsection (a)</u> above. In addition, Subtenant shall incorporate by reference in all sub-subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(e)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all sub-subtenants and other subcontractors to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Sublease.

- (c) Non-Discrimination in Benefits. Subtenant does not as of the date of this Sublease and will not during the Term, in any of its operations or in San Francisco or with respect to its operations under this Sublease elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.
- (d) <u>CMD Form.</u> As a condition to this Sublease, Subtenant shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco City Administrator's Contract Monitoring Division (the "CMD"). Subtenant hereby represents that prior to execution of this Sublease, (i) Subtenant executed and submitted to the CMD Form CMD-12B-101 with supporting documentation; and (ii) the CMD approved such form.
- (e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Subtenant shall comply fully with and be bound by all of the provisions that apply to this Sublease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Subtenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50.00) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Sublease may be assessed against Subtenant and/or deducted from any payments due Subtenant.
- 22.6. MacBride Principles Northern Ireland. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Subtenant acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

- 22.7. Tropical Hardwood and Virgin Redwood Ban. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product. Except as expressly permitted by the application of Section 802(b) and 803(b) of the San Francisco Environment Code, Subtenant shall not provide any items to the construction of tenant improvements or Alterations in the Premises, or otherwise in the performance of this Sublease, which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Subtenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Subtenant shall be liable for liquidated damages for each violation in an amount equal to Subtenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.
- 22.8. Wages and Working Conditions. Subtenant agrees that any person performing labor in the construction of any tenant improvements and any Alterations to the Premises, which Subtenant provides under this Sublease, shall be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco, California. Subtenant shall include, in any contract for construction of such tenant improvements and Alterations, a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Subtenant shall require any contractor to provide, and shall deliver to Sublandlord upon request, certified payroll reports with respect to all persons performing labor in the construction of such tenant improvement work or any Alterations to the Premises.
- 22.9. <u>Prohibition of Alcoholic Beverage Advertising</u>. Subtenant acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Premises. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of alcoholic beverages, (ii) encourage people not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services.
- 22.10. <u>Prohibition of Tobacco Sales and Advertising</u>. Subtenant acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of Sublandlord or the City, including the Premises and the Property. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any

advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

- 22.11. Pesticide Prohibition. Subtenant shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Subtenant to submit to Sublandlord an integrated pest management ("IPM") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Subtenant may need to apply to the Premises during the terms of this Sublease, (b) describes the steps Subtenant will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as Subtenant's primary IPM contact person with the City. In addition, Subtenant shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.
- 22.12. First Source Hiring Ordinance. The City has adopted a First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264 98) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry level positions. Within thirty (30) days after Sublandlord adopts a First Source Hiring Implementation and Monitoring Plan in accordance with the First Source Hiring Ordinance, Subtenant shall enter into a First Source Hiring Agreement that meets the applicable requirements of Section 83.9 of the First Source Hiring Ordinance.
- 22.13. Sunshine Ordinance. In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City departments and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.
- 22.14. Conflicts of Interest. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provisions, and agrees that if Subtenant becomes aware of any such fact during the Term of this Sublease, Subtenant shall immediately notify Sublandlord.
- 22.15. Charter Provision. This Sublease is governed by and subject to the provisions of the Charter of the City and County of San Francisco.

- 22.16. Requiring Health Benefits for Covered Employees. Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Sublease as though fully set forth. The text of the HCAO is available on the web at http://www.sfgov.org/olse/hcao. Capitalized terms used in this Section and not defined in this Sublease shall have the meanings assigned to such terms in Chapter 12Q.
- (a) For each Covered Employee, Subtenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Subtenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if Subtenant is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with <u>Subsection (a)</u> above.
- (e) Subtenant's failure to comply with the HCAO shall constitute a material breach of this Sublease. Sublandlord shall notify Subtenant if such a breach has occurred. If, within thirty (30) days after receiving City's written notice of a breach of this Sublease for violating the HCAO, Subtenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Subtenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, Sublandlord shall have the right to pursue the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to Sublandlord.
- (d) Any Subcontract entered into by Subtenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Subtenant shall notify City's Purchasing Department when it enters into such a Subcontract and shall certify to the Purchasing Department that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Subtenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the Subcontractors failure to comply, provided that Sublandlord has first provided Subtenant with notice and an opportunity to obtain a cure of the violation.
- (e) Subtenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying Sublandlord with regard to Subtenant's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Subtenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Subtenant shall keep itself informed of the current requirements of the HCAO.
- (h) Subtenant shall provide reports to Sublandlord in accordance with any reporting standards promulgated by Sublandlord under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (i) Subtenant shall provide Sublandlord with access to records pertaining to compliance with the HCAO after receiving a written request from Sublandlord to do so and being provided at least five (5) business days to respond.
- (j) Sublandlord may conduct random audits of Subtenant to ascertain its compliance with HCAO. Subtenant agrees to cooperate with Sublandlord when it conducts such audits.
- (k) If Subtenant is exempt from the HCAO when this Sublease is executed because its amount is less than Twenty-Five Thousand Dollars (\$25,000) (or [Fifty Thousand Dollars (\$50,000) if Subtenant is a qualified nonprofit), but Subtenant later enters into an agreement or agreements that cause Subtenant's aggregate amount of all agreements with Sublandlord to reach Seventy-Five Thousand Dollars (\$75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Subtenant and the Contracting Department to be equal to or greater than Seventy-Five Thousand Dollars (\$75,000) in the fiscal year.
- 22.17. Notification of Limitations on Contributions. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City or a state agency on whose board an appointee of a City elective officer serves, for the selling or leasing of any land or building to or from the City or a state agency on whose board an appointee of a City elective officer serves, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six (6) months after the date the contract is approved. Subtenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Subtenant further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Subtenant's board of directors; Subtenant's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Subtenant; any subcontractor listed in the bid or

contract; and any committee that is sponsored or controlled by Subtenant. Additionally, Subtenant acknowledges that Subtenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Subtenant further agrees to provide Sublandlord the name of each person, entity or committee described above.

- 22.18. Preservation-Treated Wood Containing Arsenic. As of July 1, 2003, Subtenant may not purchase preservative-treated wood products containing arsenic in the performance of this Sublease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Subtenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Subtenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.
- 22.19. Resource Efficient City Buildings and Pilot Projects. Subtenant acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Sections 700 to 707 relating to resource-efficient City buildings and resource-efficient pilot projects. Subtenant hereby agrees that it shall comply with all applicable provisions of such code sections.
- 22.20. Food Service Waste Reduction. Subtenant agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in the San Francisco Environment Code, Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Sublease as though fully set forth. This provision is a material term of this Sublease. By entering into this Sublease, Subtenant agrees that if it breaches this provision, Sublandlord will suffer actual damages that will be impractical or extremely difficult to determine; further, Subtenant agrees that the sum of One Hundred Dollars (\$100.00) liquidated damages for the first breach, Two Hundred Dollars (\$200.00) liquidated damages for the second breach in the same year, and Five Hundred Dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that Sublandlord will incur based on the violation, established in light of the circumstances existing at the time this Sublease was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by Sublandlord because of Subtenant's failure to comply with this provision.
- **22.21.** Estoppel Certificates. At any time and from time to time, within ten (10) days after Sublandlord's request, Subtenant will execute, acknowledge and deliver to Sublandlord a statement certifying the following matters: (a) the Commencement Date and Expiration Date of this Sublease; (b) that this Sublease is unmodified and in full force and effect (or if there have been modifications, that this Sublease is in full force and effect as modified and the date and

nature of such modifications); (c) the dates to which the Rent has been paid; (d) that there are no Events of Default under this Sublease (or if there are any Events of Default, the nature of such Event of Default); and (e) any other matters reasonably requested by Sublandlord. Sublandlord and Subtenant intend that any such statement delivered pursuant to this paragraph may be relied upon by any assignce of Sublandlord's interest in the Master Lease or this Sublease, any mortgagee or any purchaser or prospective purchaser of the building or land on which the Premises are located. Subtenant irrevocably appoints Sublandlord, as Subtenant's agent, to execute and deliver in the name of Sublandlord any such instrument if Subtenant fails to do so, which failure shall also be an Event of Default under this Sublease.

- 22.22. <u>Addendum</u>. The terms of the Addendum, if any, attached to this Sublease are incorporated into the Sublease by reference. In the event of any inconsistency between the Sublease and the Addendum, the terms of the Addendum shall control.
- 22.23. Cooperative Drafting. This Sublease has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Sublease reviewed and revised by legal counsel. No party shall be considered the drafter of this Sublease, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Sublease.

22.24 Criminal History in Hiring and Employment Decisions

- (a) Unless exempt, Subtenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; "Chapter 12 T"), which are hereby incorporated as may be amended from time to time, with respect to applicants and employees of Subtenant who would be or are performing work at the Premises.
- (b) Subtenant shall incorporate by reference the provisions of Chapter 12T in all subleases of some or all of the Premises, and shall require all subsubtenants to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.
- (c) Subtenant and subsubtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.
 - (d) Subtenant and subsubtenants shall not inquire about or require applicants,

potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Subtenant and subsubtenants shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

- (e) Subtenant and subsubtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Subtenant or subsubtenant at the Premises, that the Subtenant or subsubtenant will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.
- (f) Subtenant and subsubtenants shall post the notice prepared by the Office of Labor Standards Enforcement ("OLSE"), available on OLSE's website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.
- (g) Subtenant and subsubtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.
- (h) If Subtenant has any questions about the applicability of Chapter 12T, it may contact the City's Real Estate Division for additional information. City's Real Estate Division may consult with the Director of the City's Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8.

22.25 Local Hiring Requirements for Subtenant Alterations and Improvements.

Subtenant Alterations and Improvements are subject to the San Francisco Local Hiring Policy for Construction ("Local Hiring Policy") (San Francisco Administrative Code §6.22(G)) unless the subtenant improvements are undertaken and contracted for by Subtenant and acrestimated to cost less than \$750,000 per building permit; or meet any of the other exemptions in San Francisco Administrative Code Section 6.22(G). Accordingly, Subtenant, as a condition of this Lease, agrees that, unless subject to an exemption or conditional waiver, Subtenant shall comply with the obligations in San Francisco Administrative Code Section 6.22(G), and shall require Subtenant's subsubtenants to comply with those obligations to the extent applicable. The requirements are summarized below. Before starting any Subtenant Improvement Work, Subtenant shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Subtenant Improvement Work, and Subtenant shall comply with all such requirements. Subtenant's failure to comply with the

obligations in this subsection shall constitute a material breach of this Sublease and may subject Subtenant and its subsubtenants to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penalties.

- For each contractor and subcontractor performing subtenant improvements in amounts
 exceeding the Threshold Amount for a Covered Project, Subtenant and its subsubtenants shall
 comply with the applicable mandatory participation levels for Project Work Hours performed by
 Local Residents, Disadvantaged Workers, and Apprentices set forth in Administrative Code

 §6.22(G)(4).
- (2) For Covered Projects estimated to cost more than \$1,000,000, prior to commencement of any work subject to the Local Hiring Policy, Subtenant and its subsubtenants shall prepare and submit to Sublandlord and the City's Office of Economic and Workforce Development (OEWD) for approval a "local hire plan" for the project in accordance with Administrative Code \$6.22(G)(6).
- (3) Subtenant and its subsubtenants shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises.
- (4) Subtenant agrees that (i) Subtenant shall comply with all applicable requirements of the Local Hiring Policy; (ii) the provisions of the Local Hiring Policy are reasonable and achievable by Subtenant and its subsubtenants; and (iii) Subtenant and its subsubtenants have had a full and fair opportunity to review and understand the terms of the Local Hiring Policy.

22.26 Local Hiring Requirements for Special Events.

Unless exempt, if Subtenant has a special event on the premises, Subtenant must comply with all applicable provisions of the San Francisco Local Hiring Policy in the performance of construction activities during the set-up, execution and strike of Events of four (4) or more consecutive or non-consecutive days. Before starting any Construction Work for Special Events covered under the Local Hiring Policy, Event Sponsor shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Special Event, and Event Sponsor shall comply with all such requirements. Failure to comply with the obligations in this subsection shall constitute a material breach and may subject Event Sponsor to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penalties.

- For construction work on events covered by the Local Hiring Policy that exceed \$400,000, a budget of construction activities must be submitted with this application for review by OEWD.
- (2) Contractors shall comply with the applicable mandatory participation levels for Project

Work Hours performed by Local Residents, Disadvantaged Workers, and Apprentices as set forth in Section 6.22(G)(4).

- (3) Contractors shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises.
- 22.27. Bottled Drinking Water. Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24, including the administrative fines, remedies, and implementing regulations provided therein, as the same may be amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Sublease as though fully set forth.

Sublandlord and Subtenant have executed this Sublease in triplicate as of the date first written above.

SUBTENANT:

GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership

By: Cellco Partnership, Its General Partner

Ву:		
Name:	Brian Mecum	
Γitle:	Area Vice President Network	

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By:		
	Robert P. Beck	
	Treasure Island Director	

By:		
Deputy City Attorney		

(initial)

APPROVED AS TO FORM:

EXHIBIT A MASTER LEASE

EXHIBIT B DIAGRAM OF PREMISES

EXHIBIT C COVER PAGE OF THE SEISMIC REPORT

EXHIBIT D

RULES AND REGULATIONS

- 1. All rules and regulations set out in the Master Lease shall prevail.
- No signs, advertisements, or notices shall be attached to, or placed on, the exterior or interior of the Building or elsewhere on the Property, without prior written approval of Sublandlord.
- 3. Subtenant's contractors and invitees, while on the Premises or Subtenant's parking area, shall be subject to these Rules and Regulations, and will be subject to direction from Sublandlord and its agents, but will not be an agent or contractor of the Sublandlord or its agents. Subtenant's contractors shall be licensed by the State, insured and bonded at the amount requested by the Sublandlord.
- 4. Subtenant shall install and maintain at Subtenant's expense, any life safety equipment required by governmental rules, regulations or laws to be kept on the Premises.

EXHIBIT E

STANDARD UTILITIES AND SERVICES AND RATES

Utilities Rate Schedule

Utility Service	Rate	Unit
Electric Rate	\$0.14	per kwh
Water Rate	\$7.70	per kgal
Sewer Rate	\$13.70	per kgal
Gas Rate	\$0.60	per kcf

Rates are subject to adjustment.

Subtenant shall install utility Submeters to the satisfaction of Sublandlord.

Subtenant shall arrange for delivery of utility services to the premises by making a "Request for Utilities Services" by contacting:

San Francisco Public Utilities Commission c/o Treasure Island Development Authority One Avenue of the Palms Treasure Island San Francisco. CA. 94130

Attn: Mr. Sam Larano

(415) 274-0333 (415) 554-0724

EXHIBIT F

THIDI WORKFORCE HIRING PLAN

TIHDI Job Broker Program Requirements for Island Tenants

As part of the workforce hiring goals for Treasure Island, the Treasure Island Development Authority's (TIDA) requires that Island commercial tenants are to make good faith efforts to fill appropriate available on-Island positions through the Treasure Island Homeless Development Initiative (TIHDI) TIHDI Job Broker Program (TJBP). All new non-supervisorial positions created by on-Island commercial tenants and businesses should be opened to consideration of TJBP candidates, and San Francisco residents should account for a majority of all new hires by on-Island commercial tenants and businesses.

In order to help commercial tenants reach these goals, the TJBP provides free and immediate access to San Francisco's extensive non-profit employment & training programs and to a resource pool of individuals with varied skill levels and work experience backgrounds.

Through the TJBP, a job description and set of qualification requirements for the new or open position is distributed to the TJBP's network of employment service agencies on behalf of the commercial tenant. Appropriate candidates from these agencies are then referred to the commercial tenant for interviewing. All of the TJBP referrals are required to meet universal standards of job readiness.

To effectively implement the Good Faith provisions of the TJBP, commercial tenants are asked to provide TIHDI with a written plan, list available jobs with TIHDI prior to public advertisement, consider TJBP referrals, and establish an ongoing relationship with the TJBP.

Additionally, if a commercial tenant does not anticipate making any new hires, it can meet its requirements under the TJBP by contracting with one of the two on-Island social enterprise operations: Toolworks Janitorial Services and/or Rubicon Programs Landscaping. Contact the TJHDI Job Broker for these services and for further information on the TJHDI Job Broker System to discuss and develop your workforce hiring plan.

For further information on the TIHDI Job Broker Program, please contact:

Noel Santos TIHDI Job Broker (415) 274-0311 ex. 302 nsantos@tihdi.org

ADDENDUM TO SUBLEASE

This is an Addendum to the Sublease dated as of June 1, 2015, between the Treasure Island Development Authority ("Sublandlord"), and GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership ("Subtenant"), relating to certain premises described in the Sublease.

This Addendum supersedes and replaces the terms of the Sublease to which it is attached to the extent of any inconsistency between the Sublease and this Addendum. All capitalized terms used in this Addendum and not defined herein shall have the meanings set forth in the Sublease.

Sublandlord and Subtenant agree as follows:

- 1. New Sections 22.28 through 22.31. New Sections 22.28 through 22.31 are hereby added to the Sublease, which state in their entirety as follows:
 - "22.28. Radio Frequency Radiation and Electromagnetic Fields. Without limiting Section 11.1 above. Subtenant shall comply with all present and future laws. orders and regulations of federal, state, county and municipal authorities relating to allowable presence of or human exposure to Radiofrequency Radiation ("RFs") or Electromagnetic Fields ("EMFs") on or off the Premises, including without limitation, all applicable standards adopted by the Federal Communications Commission, whether such RF or EMF presence or exposure results from Subtenant's equipment alone or from the cumulative effect of Subtenant's equipment added to all other sources in and around the Premises, and Subtenant shall not cause an increase in RF or EMF levels in and around the Premises such that the cumulative levels exceed applicable standards adopted by the Federal Communications Commission. Sublandlord shall require any third party entering into an occupancy or use agreement after the Commencement Date to agree not to cause an increase in RF or EMF levels in and around the Premises such that the cumulative levels exceed allowable levels. Without limiting the provisions of Tenant's indemnity contained in Section 16.2 (Subtenant's Indemnity), Subtenant, on behalf of itself and its successors and assigns, shall indemnify the "Indemnified Parties", and each of them, from and against all "Claims" incurred in connection with or arising in whole or in part from the presence of or exposure to RFs or EMFs resulting from Subtenant's use of the Premises.
 - 22.29 Protection Against Interference. Subtenant will not permit its equipment or use of the Premises as a communications site to cause interference with or impairment of the City's 911 Public Communications Safety System or Citywide 800 MGHz Radio System or other communication or computer equipment used by City, Sublandord or any of its agents or subtenants. Subtenant will not use the Premises or its equipment located in the Premises in any way which interferes with any existing use of the Property prior to this Sublease or any future use of the Property by Sublandlord or its subtenants (including, without limitation, Sublandlord's or its subtenants' use of the Property with related radio, telephone and other communications transmission and reception), and such interference shall be deemed a material breach of this Sublease by Subtenant, which shall, upon notice from Sublandlord, be responsible for terminating

such interference. In the event any such interference does not cease promptly, the parties acknowledge that continuing interference may cause irreparable injury and, therefore, Sublandlord shall have the right to bring action to enjoin such interference or to terminate this Sublease immediately upon notice, at Sublandlord's election."

- 22.30 <u>Co-Location</u>. Co-location of facilities is prohibited except with the express written approval of Sublandlord. A "co-located telecommunication facility" means a telecommunication facility comprised of one or more antennas, dishes, or similar devices owned or used by more than one public or private entity. Licenses and Approvals.
- 22.31 <u>Licenses</u>. Subtenant represents and warrants that it has acquired all licenses, permits, and other approvals required under all federal, state, and local laws for the operation of Subtenant's equipment on the Premises. Subtenant shall maintain all such licenses, permits or other approvals throughout the term of this Sublease.

Sublandlord and Subtenant have executed this Addendum to Sublease in t	riplicate a	s of
the date first written above.		

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GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership

By: Cellco Partnership, Its General Partner

By: Name: Brian Mecum

Title: Area Vice President Network

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By:

Robert P. Beck Treasure Island Director

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: Deputy City Attorney





SUBLEASE No. 955

between

TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP dba Verizon Wireless a California limited partnership

as Subtenant

For the Sublease of a Wireless Communications Cell Site located on rooftop of Hanger 3

Treasure Island Naval Station San Francisco, California

June 1, 2015

TREASURE ISLAND SUBLEASE

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LIST OF EXHIBITS:

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EXHIBIT B - Diagram of Premises

EXHIBIT C - Cover Page of Seismic Report

EXHIBIT D – Rules and Regulations

EXHIBIT E - Utilities

EXHIBIT F - TIHDI Work Force Hiring Plan

TREASURE ISLAND SUBLEASE

THIS SUBLEASE (the "Sublease"), dated for reference purposes only as of June 1, 2015, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation ("Sublandlord"), and GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership ("Subleanant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

- A. The United States of America, acting by and through the Department of Navy ("Master Landlord") and Sublandlord entered into a lease dated September 4, 1998, as amended from time to time (the "Master Lease"), a copy of which is attached hereto as <u>Exhibit A</u>. Under the Master Lease, the Master Landlord leased to Sublandlord certain real property located on Treasure Island Naval Station (the "Property"), as more particularly described in the Master Lease.
- B. Subtenant desires to sublet from Sublandlord, and Sublandlord is willing to sublet to Subtenant, a portion of the Property on the terms and conditions contained in this Sublease.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. BASIC SUBLEASE INFORMATION

Sublease Reference Date:

The following is a summary of basic sublease information (the "Basic Sublease Information"). Each item below shall be deemed to incorporate all of the terms of this Sublease pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Sublease, the more specific provision shall control.

Sublandlord: TREASURE ISLAND DEVELOPMENT
AUTHORITY, a California public benefit

corporation

June 1, 2015

Subtenant:

GTE MOBILNET of CALIFORNIA
LIMITED PARTNERSHIP, dba Verizon
Wireless, a California limited partnership

Subleased Premises (Section 2.1):

Cell Site No.287912 located on the Northeast corner of the rooftop of Hanger 3, Treasure Island, San Francisco, CA, as more particularly shown on Exhibit B, attached hereto including the improvements thereon.

Facility:

Hanger 3, Treasure Island

Term: (Section 4.1):

Commencement date: June 1, 2015 or the first day of the month following the date Verizon commences construction of the facility

Expiration date: November 30, 2016

Notwithstanding anything in this Sublease to the contrary, either Sublandlord or Subtenant, in its sole discretion, may terminate this Sublease for any reason upon delivery of not less than thirty (30) days' prior written notice

to the other party.

Base Rent (Section 5.1):

Use (Section 7.1):

Four Thousand Dollars (\$4,000.00) per month

Rent Adjustment Date(s) (Section 5.2):

Not applicable Not applicable

Rent Increase Percentage (Section 5.2):

The Premises shall be used for installation and maintenance of the cellular communications site commonly known as Cell Site No. 287912

and for no other purpose.

Repair Amount (Section 13.1):

Ten Thousand Dollars (\$10,000.00)

Security Deposit (Section 19.3):

Eight Thousand Dollars (\$8,000.00)

Notice Address of Sublandlord (Section 21.1):

Treasure Island Development Authority
Treasure Island Project Office
One Avenue of Palms
Building 1, 2nd Floor
Treasure Island
San Francisco, CA 94130
Attn: Robert P. Beck
Treasure Island Director
Fax No.: 415-274-0299

with a copy to:

Office of the City Attorney City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Charles Sullivan Fax No.: (415) 554-4755

Notice Address of Subtenant (Section 21.1):

GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless 180 Washington Valley Road Bedminster, NJ 07921

Attn: For rent or other administrative matters:

Telephone No. (866) 862-4404 Fax No. N/A Email. N/A

Notice Address of Master Landlord (Section 21.1):

Department of The Navy Base Realignment and Closure Program Management Office West 1455 Frazee Road, Suite 900 San Diego, CA 92108-4310 Fax #: (619) 532-9858

2. PREMISES

2.1. <u>Subleased Premises</u>. Subject to the terms, covenants and conditions of this Sublease, Sublandlord subleases to Subtenant the Premises. Subtenant shall have the non-exclusive right to use, together with other subtenants in the Facility, the lobbies, corridors, elevators, stairways and other public areas of the Facility and the Property (collectively, the "Common Areas"), and the non-exclusive right of access to and from the Premises by the main entrances to the Facility

and the Property.

In the event Subtenant uses or occupies space outside the Premises without the prior written consent of Sublandlord (the "Encroachment Area"), then upon written notice from Sublandlord ("Notice to Vacate"), Subtenant shall immediately vacate such Encroachment Area and pay as additional rent for each day Subtenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area, multiplied by the higher of the (a) highest rental rate then approved by Sublandlord's Board of Directors for the Premises or the Facility, or (b) then current fair market rent for such Encroachment Area, as reasonably determined by Sublandlord (the "Encroachment Area Charge"). If Subtenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period shall be prorated based on a thirty (30) day month. In no event shall acceptance by Sublandlord of the Encroachment Area Charge be deemed a consent by Sublandlord to the use or occupancy of the Encroachment Area by Subtenant or a waiver (or be deemed as waiver) by Sublandlord of any and all other rights and remedies of Sublandlord under this Sublease (including Subtenant's obligation to indemnify, defend and hold Sublandlord harmless as set forth in the last paragraph of this Section 2.1), at law or in equity.

In addition to the foregoing amount, Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Sublandlord determines during subsequent inspection(s) that Subtenant has failed to vacate the Encroachment Area, then Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Three Hundred Dollars (\$300,00) for each additional Notice to Vacate, if applicable, delivered by Sublandlord to Subtenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area represent a fair and reasonable estimate of the administrative cost and expense which Sublandlord will incur by reason of Sublandlord's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Subtenant's failure to comply with the applicable Notice to Vacate and Sublandlord's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Sublandlord under this Sublease, at law or in equity. The amounts set forth in this Section 2.1 shall be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area.

In addition to the rights and remedies of Sublandlord as set forth in the immediately foregoing two paragraphs of this <u>Section 2.1</u>, the terms and conditions of the indemnity and exculpation provision set forth in <u>Section 16</u> below shall also apply to Subtenant's use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Subtenant shall additionally indemnify, defend and hold Sublandlord harmless from and against any and all loss or liability resulting from delay by Subtenant in so surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any claims

against Sublandlord made by any tenant or prospective tenant founded on or resulting from such delay and losses to Sublandlord due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

By placing their initials below, each party specifically confirms the accuracy of the statements made in this <u>Section 2.1</u> and the reasonableness of the amount of the charges described in this Section 2.1.

Initials:	Sublandlord	Subtenant	
2.2. As Is Condi	tion of Premises.		

2.2. As is Condition of Premise

- (a) Inspection of Premises. Subtenant represents and warrants that Subtenant has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them ("Subtenant's Agents"), of the Premises and the suitability of the Premises for Subtenant's intended use. Subtenant is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses. As part of its inspection of the Premises, Subtenant acknowledges its receipt and review of the Seismic Report referenced in Section 2.2(c) below and the Joint Inspection Report referenced in Section 6 of the Master Lease.
- (b) <u>As Is; Disclaimer of Representations.</u> Subtenant acknowledges and agrees that the Premises are being subleased and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties, including without limitation the orders and citations of any regulatory authority with jurisdiction over life and safety issues concerning the Premises governing the use, occupancy, management, operation and possession of the Premises ("Laws"). Without limiting the foregoing, this Sublease is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Subtenant acknowledges and agrees that neither any portion inereot, whether of not of record. Subleman acknowledges and agreed that needed Sublandlord, the City and County of San Francisco ("City"), nor any of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees or contractors, or their respective heirs, legal representatives, successors and assigns ("Sublandlord's Agents") have made, and Sublandlord hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, including, without limitation, the matters described in the Seismic Report (as defined below), (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the

Premises if required for Subtenant's use and permitted under this Sublease, (v) the safety of the Premises, whether for the use by Subtenant or any other person, including Subtenant's Agents or Subtenant's clients, customers, vendors, invitees, guests, members, licensees, assignees or subtenant's ("Subtenant's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

(c) Seismic Report. Without limiting Section 2.2(b) above, Subtenant expressly acknowledges for itself and Subtenant's Agents that it received and read that certain report dated August 1995, entitled "Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions," prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Subtenant has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils of the Property and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that any structures or improvements located on or about the Premises, may fail structurally and collapse.

3. COMPLIANCE WITH MASTER LEASE

- 3.1. <u>Incorporation by Reference</u>. All of the terms and conditions of the Master Lease are hereby incorporated by reference into this Sublease as if fully set forth herein.
- 3.2. Performance of Master Landlord's Obligations. Sublandlord does not assume the obligations of Master Landlord under the Master Lease. With respect to work, services, repairs, restoration, the provision of utilities or HVAC services, or the performance of any other obligations required of Master Landlord under the Master Lease, Sublandlord's sole obligation with respect thereto shall be to request the same, on request in writing by Subtenant, and to use reasonable efforts to obtain the same from Master Landlord. Subtenant shall cooperate with Sublandlord as may be required to obtain from Master Landlord any such work, services, repairs, repainting, restoration, the provision of utilities or HVAC services, or the performance of any of Master Landlord's obligations under the Master Lease.
- 3.3. <u>Conflict</u>. If any of the provisions of this Sublease conflict with any portion of the Master Lease as incorporated herein, then the terms of the Master Lease shall govern.
- 3.4. <u>Compliance with Master Lease</u>. Subtenant shall not do or permit to be done anything which would constitute a violation or a breach of any of the terms, conditions or provisions of the Master Lease or which would cause the Master Lease to be terminated or forfeited by virtue of any rights of termination reserved by or vested in the Master Landlord.

4. TERM

- 4.1. <u>Term of Sublease</u>. The term of this Sublease (the "Term") shall commence on the Commencement Date set forth in the Basic Sublease Information, and expire on the Expiration Date set forth in the Basic Sublease Information, unless sooner terminated pursuant to the terms of this Sublease.
- 4.2. Effective Date. This Sublease shall become effective on the date (the "Effective Date") upon the later of (i) the Parties' execution and delivery of this Sublease, (ii) Sublandlord's Board of Director's approval of this Sublease at a duly noticed meeting, if such approval is required, or (iii) the Commencement Date.
- 4.3. <u>Automatic Termination</u>. If the Master Lease terminates in whole or in part affecting these Premises for any reason whatsoever, this Sublease shall automatically terminate and the Parties shall thereafter be relieved from all liabilities and obligations under this Sublease, except for liabilities and obligations which expressly survive termination of this Sublease. Subtenant acknowledges and agrees that it has reviewed the Master Lease, is aware of the circumstances upon which the Master Lease may be terminated and hereby assumes all risks associated with the automatic termination of this Sublease because of the termination of the Master Lease.
- 4.4. <u>Termination</u>. As set forth in the Basic Sublease Information (Term), either Sublandlord or Subtenant, each in their sole discretion, may terminate this Sublease for any reason without liability or expense upon delivery of not less than thirty (30) days' prior written notice to the other party. Subtenant agrees and shall be required to surrender possession of the Premises by the end of such thirty (30) day period.
- No Relocation Assistance; Waiver of Claims. Subtenant acknowledges that Subtenant has previously been informed that the Property subject to this Sublease is part of an area that is proposed for redevelopment and that this Sublease may be terminated by Sublandlord or Subtenant may be required to move from the Property to accommodate the redevelopment project. Subtenant acknowledges that, if this Sublease is terminated or Subtenant is asked to move, it will not be a displaced person as that term is defined under the California Government Code Section 7260 et seq. ("California Relocation Act") and the Uniform Relocation Assistance and Real Property Policies Act, 42 U.S. C. 4601 et seq. ("URA"), and that Subtenant will not be entitled to any relocation benefits provided under the California Relocation Act and the URA, including any moving expenses, reimbursement for costs associated with increased rent, loss of goodwill or other costs related to the termination of Subtenant's Lease and Subtenant's relocation from the Premises. Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims against, and covenants not to sue, Sublandlord, its departments, commissions, officers, directors and employees, agents, contractors and successors and assigns and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from Sublandlord under federal and state relocation assistance laws (including, but not limited to, California Government Code Section

7260, et seq., and the Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. 4601, et seq.).

Initials:	Subtenant
minus.	Subtenant

5. RENT

- 5.1. Base Rent. Throughout the Term, beginning on the Commencement Date, Subtenant shall pay to Sublandlord Base Rent in the amount set forth in the Basic Sublease Information. Base Rent shall be paid to Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 21.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall be prorated based on a thirty (30) day month.
- 5.2. <u>Adjustments in Base Rent</u>. If this Sublease has not been terminated, then on each Rent Adjustment Date set forth in the Basic Sublease Information, the Base Rent shall be increased by the Rent Increase Percentage set forth in the Basic Lease Information.
- 5.3. <u>Additional Charges</u>. In addition to Base Rent, Subtenant shall pay all other charges related to the Premises otherwise payable by Subtenant to Sublandlord hereunder, including, without limitation, all late charges and default interest attributable to late payments and/or defaults of Subtenant hereunder, all utility charges, and any amounts other than Base Rent that shall become due and payable by Subtenant under this Sublease (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".
- 5.4. <u>Late Charge</u>. If Subtenant fails to pay any Rent within ten (10) days after the date the same is due and payable, such unpaid amount will be subject to a late payment charge equal to six percent (6%) of the unpaid amount in each instance. The late payment charge has been agreed upon by Sublandlord and Subtenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that Sublandlord will incur as a result of any such failure by Subtenant, the actual costs thereof being extremely difficult if not impossible to determine. The late payment charge constitutes liquidated damages to compensate Sublandlord for its damages resulting from such failure to pay and Subtenant shall promptly pay such charge to Sublandlord together with such unpaid amount.
- 5.5. <u>Default Interest</u>. If any Rent is not paid within ten (10) days following the due date, such unpaid amount shall bear interest from the due date until paid at the rate of ten percent (10%) per year. However, interest shall not be payable on late charges incurred by Subtenant nor on any amounts on which late charges are paid by Subtenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge.

Payment of interest shall not excuse or cure any default by Subtenant.

6. TAXES, ASSESSMENTS AND OTHER EXPENSES

6.1. Taxes and Assessments, Licenses, Permit Fees and Liens.

- (a) Payment Responsibility. Subtenant shall pay any and all real and personal property taxes, including, but not limited to, possessory interest taxes, general and special assessments, excises, licenses, permit fees and other charges and impositions of every description levied on or assessed against the Premises, any Alterations, Subtenant's Personal Property, or Subtenant's use of the Premises or any Alterations during the Term. Subtenant shall make all such payments directly to the charging authority when due and payable and at least ten (10) days prior to delinquency. However, with respect to real property taxes and assessments levied on or assessed against the Premises for which Sublandlord receives the tax bill directly from the taxing authority, Subtenant shall reimburse Sublandlord for payment of such sums immediately upon demand.
- (b) <u>Taxability of Possessory Interest</u>. Without limiting the foregoing, Subtenant recognizes and agrees that this Sublease may create a possessory interest subject to property taxation and that Subtenant may be subject to the payment of property taxes levied on such interest.
- (c) <u>No Liens</u>. Subtenant shall not allow or suffer a lien for any taxes payable by Subtenant hereunder to be imposed upon the Premises or upon any equipment or other property located thereon without discharging the same as soon as practicable, and in no event subsequent to delinquency.
- (d) <u>Reporting Information</u>. Subtenant agrees to provide such information as Sublandlord may request to enable Sublandlord to comply with any possessory interest tax reporting requirements applicable to this Sublease.
- **6.2.** Evidence of Payment. Subtenant shall, upon Sublandlord's request, furnish to Sublandlord within ten (10) days after the date when any charges are due and payable, official receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Sublandlord, evidencing payment thereof.

7. USE; COVENANTS TO PROTECT PREMISES

- 7.1. <u>Subtenant's Permitted Use</u>. Subtenant may use the Premises for the Permitted Use set forth in the Basic Sublease Information, but for no other purpose without the prior written consent of Sublandlord, which consent may be given or withheld in Sublandlord's sole and absolute discretion.
- 7.2. <u>Subtenant's Access to the Premises</u>. As provided in Section 30 of the Master Lease, Subtenant shall have access to the Premises on a twenty four (24) hours per day, seven (7) days

per week basis; provided, however, Subtenant shall coordinate such access with the local representative of Master Landlord.

- 7.3. <u>Rules and Regulations</u>. Subtenant agrees to adhere to all rules and regulations regarding the Premises attached hereto as <u>Exhibit D</u>, and any additional rules regarding security, ingress, egress, safety and sanitation applicable to the Premises or the Property, as such rules and regulations may be prescribed by Master Landlord or Sublandlord from time to time.
- Easements. This Sublease shall be subject to all outstanding easements and rights-of-7.4. way for location of any type of facility over, across, in, and upon the Premises or any portion thereof, and to the right of Master Landlord to grant such additional easements and rights-of-way over, across, in and upon the Premises as Master Landlord shall determine to be in the public interest ("Additional Easements"); provided that, as provided in Section 29 of the Master Lease, Master Landlord shall use its best efforts to minimize any interference with Subtenant's operations hereunder caused by the granting of any such Additional Easements and the granting of such Additional Easements shall be conditioned on the assumption by the grantee thereof of liability to Subtenant for such damages as Subtenant shall suffer for property destroyed or property rendered unusable on account of the grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such Additional Easements as are presently outstanding or which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair or replacement of facilities located thereon, and to any federal, state or local official engaged in the official inspection thereof, such reasonable rights of ingress and egress over the Premises as shall be necessary for the performance of their duties with regard to such facilities.
- 7.5. No Interference with Navy Operations. Subtenant shall not conduct operations, nor make any Alterations (as defined below), that would interfere with or otherwise restrict Master Landlord's operations or environmental clean-up or restoration actions by the Master Landlord, Sublandlord, the Environmental Protection Agency, the State of California or their contractors. Environmental clean-up, restoration or testing activities by these Parties shall take priority over Subtenant's use of the Premises in the event of any conflict; provided, however, in such event, Master Landlord and Sublandlord shall use their best efforts to minimize any disruption of Subtenant's operation.
- 7.6. No Unlawful Uses, Nuisances or Waste. Without limiting the foregoing, Subtenant shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Subtenant shall eliminate any nuisances or hazards relating to its activities on or about the Premises. Subtenant shall not conduct any business, place any sales display, or advertise in any manner in areas on or about the Property outside of the Premises.

8. ALTERATIONS

8.1. Alterations. Subtenant shall not construct, install, make or permit to be made any

alterations, installations or additions ("Alterations") in, to or about the Premises, without Sublandlord's prior written consent in each instance, which consent may given or withheld in Sublandlord's sole and absolute discretion. Subject to Sublandlord's consent as provided above, any Alterations shall be done at Subtenant's sole expense (i) in strict accordance with plans and specifications approved in advance by Sublandlord in writing, (ii) by duly licensed and bonded contractors or mechanics approved by Sublandlord, (iii) in a good and professional manner, (iv) in strict compliance with all Laws, and (v) subject to all other conditions that Sublandlord may reasonably impose. In no event shall the construction, installation or the making of any Alterations impair the use or operation of the Property, or any portion thereof, or Sublandlord's or Master Landlord's access thereto. Prior to the commencement of any work on the Premises to construct any Alterations, Subtenant, at its sole expense, shall procure all required permits and approvals and shall promptly upon receipt deliver copies of all such documents to Sublandlord. No material change from the plans and specifications for any Alterations approved by Sublandlord may be made without Sublandlord's prior consent. Sublandlord and Sublandlord's Agents shall have the right to inspect the course of construction on the Premises at all times.

- (a) <u>Asbestos-Containing Materials</u>. Without limiting Section 25.2 (No Hazardous Materials) below, in the event that asbestos-containing materials ("ACM") are determined to exist in or about the Premises, Subtenant shall ensure that all Alterations and any asbestos related work, as defined in California Health & Safety Code Section 25914.1(b), is performed in compliance with all laws relating to asbestos, including but not limited to California Occupational Safety and Health (OSHA) regulations found in Title 8 of the California Code of Regulations, Sections 1502 and 1529. Additionally, Subtenant shall distribute notifications to all employees and contractors as required pursuant to California Health & Safety Code Section 25915 et seq. informing them of the existence of ACM and that moving, drilling, boring, or otherwise disturbing ACM may present a health risk and should not be attempted by an unqualified employee. No Alterations affecting ACM-containing areas or any asbestos related work shall be performed without Sublandlord's prior written consent in each instance.
- (b) Subtenant's Improvements or Alterations that Disturb or Remove Lead Based Paint. Subtenant shall comply with all requirements of the San Francisco Building Code, Section 3407, and all other applicable present or future federal, state, local and administrative laws, rules, regulations, orders and other governmental requirements, the requirements of any board of fire underwriters or other similar body, any directive or occupancy certificate issued pursuant to any law by any public officer or officers acting in their regulatory capacity (collectively, "Laws"), including, without limitation, the California and United States Occupational Health and Safety Acts and their implementing regulations, when the work of improvement or alteration disturbs or removes exterior lead-based or "presumed" lead-based paint (as defined below). Subtenant shall give to Sublandlord three (3) business days prior written notice of any disturbance or removal of exterior lead-based or presumed lead-based paint. Further, Subtenant, when disturbing or removing exterior lead-based or presumed lead-based paint, shall not use or cause to be used any of the following methods: (a) acetylene or propane burning and torching; (b) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate Air filter ("HEPA") local vacuum exhaust tool; (c) hydroblasting or high

pressure wash without containment barriers; (d) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool; and (e) heat guns operating above 1,100 degrees Fahrenheit. Paint on the exterior of buildings built before December 31, 1978, is presumed to be lead-based paint unless lead-based paint testing, as defined in Section 3407 of the San Francisco Building Code, demonstrates an absence of lead-based paint on the exterior surfaces of such buildings. Under this Section, lead based paint is "disturbed or removed" if the work of improvement or alteration involves any action that creates friction, pressure, heat or a chemical reaction upon any lead-based or presumed lead-based paint on an exterior surface so as to abrade, loosen, penetrate, cut through or eliminate paint from that surface. Notice to Sublandlord under this sublease shall not constitute notice to the City's Department of Building Inspection required under Section 3407 of the San Francisco Building Code.

- 8.2. <u>Historic Properties</u>. Without limiting the generality of the foregoing, Subtenant acknowledges and agrees that, pursuant to Section 15 of the Master Lease, no Alterations may be made to any improvements on the Premises (i) which will affect the historic characteristics of the improvements or modify the appearance of the exterior of the improvements without Master Landlord's and Sublandlord's prior written consent, or (ii) if such Alterations would preclude qualifying the improvements for inclusion on the National Register for Historic Places.
- 8.3. Ownership of Alterations. Any Alterations constructed on or affixed to the Premises by or on behalf of Subtenant pursuant to the terms and limitations of this Section 8 shall be and remain Subtenant's property during the Term. Upon the termination of this Sublease, Subtenant shall remove all such Alterations from the Premises in accordance with the provisions of Section 19 hereof, unless Sublandlord, at its sole option and without limiting any of the provisions of Section 8.1 above, requires that such Alterations remain on the Premises following the expiration or termination of this Sublease
- 8.4. <u>Subtenant's Personal Property</u>. All furniture, furnishings and articles of movable personal property and equipment used upon or installed in the Premises by or for the account of Subtenant that can be removed without structural or other material damage to the Premises (all of which are herein called "Subtenant's Personal Property") shall be and remain the property of Subtenant and shall be removed by Subtenant, subject to the provisions of <u>Section 19</u> hereof. Subtenant shall be solely responsible for providing any security or other protection of or maintenance to Subtenant's Personal Property.
- 8.5. <u>Sublandlord's Alterations</u>. Sublandlord reserves the right at any time to make alterations, additions, repairs, deletions or improvements to the common areas or any other part of the improvements on the Premises; provided, that any such alterations or additions shall not materially adversely affect the functional utilization of the Premises for the purposes stated herein.

9. REPAIRS AND MAINTENANCE

- 9.1. <u>Subtenant Responsible for Maintenance and Repair</u>. Subtenant assumes full and sole responsibility for the condition, operation, repair and maintenance and management of the Premises from and after the Commencement Date and shall keep the Premises in good condition and repair. Sublandlord shall not be responsible for the performance of any repairs, changes or alterations to the Premises, nor shall Sublandlord be liable for any portion of the cost thereof. Subtenant shall make all repairs and replacements, interior and exterior, structural as well as non-structural, ordinary as well as extraordinary, foreseen and unforeseen, which may be necessary to maintain the Premises at all times in a clean, safe, attractive and sanitary condition and in good order and repair, to Sublandlord's and Master Landlord's reasonable satisfaction, provided, however, that neither Subtenant nor Sublandlord shall be required to make structural repairs or Alterations to correct conditions affecting the Premises existing prior to the Commencement Date. If any portion of the Premises is damaged by any activities conducted by Subtenant or Subtenant's Agents or Subtenant's Invitees hereunder, Subtenant shall immediately, at its sole cost, repair all such damage and restore the Premises to its previous condition.
- 9.2. <u>Utilities</u>. Sublandlord shall provide the basic utilities and services described in the attached <u>Exhibit E</u> (the "Standard Utilities and Services") to the Premises, subject to the terms and conditions contained therein. Subtenant shall be responsible for furnishing, at its sole cost, any utilities or services other than or in excess of the Standard Utilities and Services that Subtenant may need for its use of the Premises. Subtenant shall pay, without set off or counterclaim, all amounts due and owing for such Standard Utilities and Services at the rates provided in and as otherwise set forth in Exhibit E.
- 9.3. <u>Landscaping</u>. Sublandlord shall maintain the exterior landscaping of the Premises in good condition and repair.
- 9.4. Janitorial Services. Subtenant shall provide all janitorial services for the Premises.
- **9.5.** <u>Pest Control.</u> Subtenant shall provide and pay for all pest control services required within the Premises, and shall keep the Premises free of all pests at all times.
- 9.6. <u>Trash</u>. Subtenant shall deposit all trash into designated containers in the Premises in compliance with the Rules and Regulations attached hereto as <u>Exhibit D</u>. Subtenant shall pay for the removal of trash from the designated containers. Subtenant shall abide by all rules established by Sublandlord or Master Landlord for the handling of trash.
- 9.7. No Right to Repair and Deduct. Subtenant expressly waives the benefit of any existing or future Laws or judicial or administrative decision that would otherwise permit Subtenant to make repairs or replacements at Sublandlord's expense, or to terminate this Sublease because of Sublandlord's failure to keep the Premises or any part thereof in good order, condition or repair, or to abate or reduce any of Subtenant's obligations hereunder on account of the Premises or any part thereof being in need of repair or replacement. Without limiting the foregoing, Subtenant

expressly waives the provisions of California Civil Code Sections 1932, 1941 and 1942 or any similar Laws with respect to any right of Subtenant to terminate this Sublease and with respect to any obligations of Sublandlord hereunder or any right of Subtenant to make repairs or replacements and deduct the cost thereof from Rent.

10. LIENS

10.1. Liens. Subtenant shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by or for Subtenant. In the event Subtenant does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, Sublandlord shall have in addition to all other remedies provided herein and by law or equity the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by Sublandlord and all expenses it incurs in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to Sublandlord by Subtenant upon demand. Sublandlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law or that Sublandlord deems proper for its protection and protection of the Premises from mechanics' and materialmen's liens. Subtenant shall give Sublandlord at least fifteen (15) days' prior written notice of the commencement of any repair or construction on any of the Premises.

11. COMPLIANCE WITH LAWS

11.1. Compliance with Laws. Subtenant shall promptly, at its sole expense, maintain the Premises and Subtenant's use and operations thereon in strict compliance at all times with all present and future Laws, whether foreseen or unforeseen, ordinary as well as extraordinary; provided, however Subtenant shall not be required to make repairs or structural changes to the Premises required solely to correct conditions affecting the Premises existing prior to the Commencement Date or not related to Subtenant's use of the Premises, unless the requirement for such changes is imposed as a result of any Alterations made or requested to be made by Subtenant. Such Laws shall include, without limitation, all Laws relating to health and safety and disabled accessibility including, without limitation, the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq. and Title 24 of the California Code of Regulations, all present and future Environmental Laws (as defined in this Sublease below), and all applicable provisions of the San Francisco Environment Code. No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall give Subtenant any right to seek redress against Sublandlord for failing to comply with any Laws. Subtenant waives any rights now or hereafter conferred upon it by any existing or future Law to compel Sublandlord to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

11.2. Regulatory Approvals; Responsible Party.

Subtenant understands and agrees that Subtenant's use of the Premises and construction of any Alterations permitted hereunder may require authorizations, approvals or permits from governmental regulatory agencies with jurisdiction over the Premises. Subtenant shall be solely responsible for obtaining any and all such regulatory approvals, including without limitation, any liquor permits or approvals. Subtenant shall not seek any regulatory approval without first obtaining the written consent of Sublandlord. Subtenant shall bear all costs associated with applying for, obtaining and maintaining any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval. Any fines or penalties levied as a result of Subtenant's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Subtenant, and Sublandlord shall have no liability, monetary or otherwise, for any such fines or penalties. Subtenant shall indemnify, protect, defend and hold harmless forever ("Indemnify") Sublandlord, City and Master Landlord, including, but not limited to, all of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees, contractors, boards, commissions, departments, agencies and other subdivisions and each of the persons acting by, through or under each of them, and their respective heirs, legal representatives, successors and assigns, and each of them (the "Indemnified Parties"), against any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses") arising in connection with Subtenant's failure to obtain or comply with the terms and conditions of any regulatory approval.

11.3. Compliance with Sublandlord's Risk Management Requirements. Subtenant shall not do anything, or permit anything to be done, in or about the Premises or to any Alterations permitted hereunder that would create any unusual fire risk, and shall take commercially reasonable steps to protect Sublandlord from any potential premises liability. Subtenant shall faithfully observe, at its expense, any and all reasonable requirements of Sublandlord's Risk Manager with respect thereto and with the requirements of any policies of commercial general liability, all risk property or other policies of insurance at any time in force with respect to the Premises and any Alterations as required hereunder.

12. ENCUMBRANCES

Notwithstanding anything to the contrary contained in this Sublease, Subtenant shall not under any circumstances whatsoever create any mortgage, deed of trust, assignment of rents, fixture filing, security agreement, or similar security instrument, or other lien or encumbrance or assignment or pledge of an asset as security in any manner against the Premises or Sublandlord's or Subtenant's interest under this Sublease.

13. DAMAGE OR DESTRUCTION

13.1. Damage or Destruction to the Premises. In the case of damage to or destruction of the

Premises by earthquake, fire, flood or any other casualty, which (i) is not caused by Subtenant or Subtenant's Agents or Subtenant's Invitees, (ii) is not covered by the insurance described in Section 17 below, (iii) prevents Subtenant from operating the Premises for the purposes stated herein, and (iv) costs more to repair than the Repair amount set forth in the Basic Lease Information, either party may terminate this Sublease upon thirty (30) days prior written notice and upon any such termination Subtenant shall surrender the Premises in accordance with Section 19 (except for damage caused by a casualty pursuant to which this Sublease may be terminated under this Section 13.1) and both Parties shall be relieved of any liability for such termination or for repairing such damage. If neither Party terminates this Sublease as provided in this Section 13.1, then Subtenant shall, at its sole cost, promptly restore, repair, replace or rebuild the Premises to the condition the Premises were in prior to such damage or destruction, subject to any Alterations made in strict accordance with the requirements of Section 8.1 above. Under no circumstances shall Sublandlord have any obligation to repair, replace or rebuild the Premises in the event of a casualty.

- 13.2. No Abatement in Rent. In the event of any damage or destruction to the Premises, and if neither party terminates this Sublease as provided in Section 13.1 above, there shall be no abatement in the Rent payable hereunder.
- 13.3. <u>Waiver</u>. The Parties understand and agree that the foregoing provisions of this Section are intended to govern fully the rights and obligations of the Parties in the event of damage or destruction to the Premises or Alterations, and Sublandlord and Subtenant each hereby waives and releases any right to terminate this Sublease in whole or in part under Sections 1932.2 and 1933.4 of the Civil Code of California or under any similar Laws now or hereafter in effect, to the extent such rights are inconsistent with the provisions hereof.

14. ASSIGNMENT AND SUBLETTING

- 14.1. Restriction on Assignment and Subletting. Subtenant shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Subtenant), voluntarily or by operation of Law, sell, assign, encumber, pledge, sublease or otherwise transfer any part of its interest in or rights with respect to the Premises, any Alterations or its interest in this Sublease, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet any portion of the Premises (a "Transfer"), without Sublandlord's prior written consent in each instance, which Sublandlord may grant or withhold in its sole and absolute discretion. Subtenant shall provide Sublandlord with a written notice of its intention to Transfer this Sublease or the Premises, together with a copy of the proposed Transfer agreement at least thirty (30) days prior to the commencement date of the proposed Transfer. Subtenant shall provide Sublandlord with such information regarding the proposed Transfer as Sublandlord may reasonably request.
- 14.2. <u>Bonus Rental</u>. If Sublandlord consents to a Transfer of any of Subtenant's interest in or rights with respect to the Premises pursuant to <u>Section 14.1</u> above, then one hundred percent (100%) of any rent or other consideration payable to Subtenant in excess of the Base Rent

payable hereunder (or the proportionate share thereof applicable to the portion of the Premises that is subject to the Transfer) shall be paid to Sublandlord immediately upon receipt by Subtenant

15. DEFAULT; REMEDIES

- **15.1.** Events of Default. Any of the following shall constitute an event of default ("Event of Default") by Subtenant hereunder:
- (a) <u>Failure to Pay Rent</u>. Any failure to pay any Rent or any other sums due hereunder, including sums due for utilities, within five (5) days after such sums are due;
- (b) Covenants, Conditions and Representations. Any failure to perform or comply with any other covenant, condition or representation made under this Sublease; provided, Subtenant shall have a period of ten (10) days from the date of written notice from Sublandlord of such failure within which to cure such default under this Sublease, or, if such default is not capable of cure within such 10-day period, Subtenant shall have a reasonable period to complete such cure if Subtenant promptly undertakes action to cure such default within such 10-day period and thereafter diligently prosecutes the same to completion and uses its best efforts to complete such cure within sixty (60) days after the receipt of notice of default from Sublandlord;
- (c) <u>Vacation or Abandonment</u>. Any abandonment of the Premises for more than fourteen (14) consecutive days;
- (d) <u>Bankruptcy</u>. The appointment of a receiver to take possession of all or substantially all of the assets of Subtenant, or an assignment by Subtenant for the benefit of creditors, or any action taken or suffered by Subtenant under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted; and
- (e) <u>Notices of Default</u>. The delivery to Subtenant of three (3) or more notices of default within any twelve (12) month period, irrespective of whether Subtenant actually cures such default within the specified time period, may, in the sole and absolute discretion of the Authority, be deemed an incurable breach of this Sublease allowing the Authority to immediately terminate this Sublease without further notice or demand to Subtenant.
- **15.2.** Remedies. Upon the occurrence of an Event of Default by Subtenant, Sublandlord shall have the following rights and remedies in addition to all other rights and remedies available to Sublandlord at Law or in equity:
- (a) Terminate Sublease and Recover Damages. The rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate Subtenant's right to possession of the Premises and to recover the worth at the time of award of the amount by which the unpaid Rent for the balance of the

Term after the time of award exceeds the amount of rental loss for the same period that Subtenant proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2. Sublandlord's efforts to mitigate the damages caused by Subtenant's breach of this Sublease shall not waive Sublandlord's rights to recover unmitigated damages upon termination.

- (b) <u>Appointment of Receiver</u>. The right to have a receiver appointed for Subtenant upon application by Sublandlord to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to Sublandlord pursuant to this Sublease.
- 15.3. Sublandlord's Right to Cure Subtenant's Defaults. If Subtenant defaults in the performance of any of its obligations under this Sublease, then Sublandlord may at any time thereafter with three (3) days prior written notice (except in the event of an emergency as determined by Sublandlord where prior notice by Sublandlord is impractical), remedy such Event of Default for Subtenant's account and at Subtenant's expense. Subtenant shall pay to Sublandlord, as Additional Charges, promptly upon demand, all sums expended by Sublandlord, or other costs, damages, expenses or liabilities incurred by Sublandlord, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such Event of Default. Subtenant's obligations under this Section shall survive the termination of this Sublease. Nothing herein shall imply any duty of Sublandlord to do any act that Subtenant is obligated to perform under any provision of this Sublease, and Sublandlord's cure or attempted cure of Subtenant's Event of Default shall not constitute a waiver of Subtenant's Event of Default or any rights or remedies of Sublandlord on account of such Event of Default.

16. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

- 16.1. Release and Waiver of Claims. Subtenant, on behalf of itself and Subtenant's Agents, covenants and agrees that the Indemnified Parties shall not be responsible for or liable to Subtenant for, and, to the fullest extent allowed by any Laws, Subtenant hereby waives all rights against the Indemnified Parties and releases them from, any and all Losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the Premises due to an earthquake or subsidence, except only to the extent such Losses are caused solely by the gross negligence or willful misconduct of the Indemnified Parties. Without limiting the generality of the foregoing:
- (a) Subtenant expressly acknowledges and agrees that the Rent payable hereunder does not take into account any potential liability of the Indemnified Parties for any consequential or incidental damages including, but not limited to, lost profits arising out of disruption to Subtenant's uses hereunder. Sublandlord would not be willing to enter into this Sublease in the absence of a complete waiver of liability for consequential or incidental damages due to the acts or omissions of the Indemnified Parties, and Subtenant expressly assumes the risk with respect thereto. Accordingly, without limiting any indemnification obligations of Subtenant or other

waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action for consequential and incidental damages and covenants not to sue the Indemnified Parties for such damages arising out of this Sublease or the uses authorized hereunder, including, without limitation, any interference with uses conducted by Subtenant pursuant to this Sublease regardless of the cause.

- (b) Without limiting any indemnification obligations of Subtenant or other waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against, and covenants not to sue the Indemnified Parties under any present or future Laws, statutes, or regulations, including, but not limited to, any claim for inverse condemnation or the payment of just compensation under the law of eminent domain, or otherwise at equity, in the event that Sublandlord terminates this Sublease because of such claim for inverse condemnation or eminent domain.
- (c) As part of Subtenant's agreement to accept the Premises in its "As Is" condition as provided herein, and without limiting such agreement and any other waiver contained herein, Subtenant on behalf of itself and its successors and assigns, waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the physical or environmental condition of the Premises and any related improvements or any Laws or regulations applicable thereto or the suitability of the Premises for Subtenant's intended use.
- (d) Subtenant acknowledges that it will not be a displaced person at the time this Sublease is terminated, and Subtenant fully RELEASES, WAIVES AND DISCHARGES the Indemnified Parties from any and all Losses and any and all claims, demands or rights against any of the Indemnified Parties under any present and future Laws, including, without limitation, any and all claims for relocation benefits or assistance from the Indemnified Parties under federal and state relocation assistance laws.
- (e) Without limiting any other waiver contained herein, Subtenant, on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way connected with the Indemnified Parties' decision to Sublease the Premises to Subtenant, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Indemnified Parties.
- (f) Subtenant covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Indemnified Parties any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this

Section 16.1.

- (g) In executing these waivers and releases, Subtenant has not relied upon any representation or statement other than as expressly set forth herein.
- (h) Subtenant had made such investigation of the facts pertaining to these waivers and releases as it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Subtenant regardless of any claims of mistake.
- (i) In connection with the foregoing releases, Subtenant acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Subtenant acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Subtenant realizes and acknowledges that it has agreed upon this Sublease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Sublease.

16.2. Subtenant's Indemnity. Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties from and against any and all Losses arising out of Subtenant's use of the Premises, including but not limited to, any Losses arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Subtenant or Subtenant's Agents or Subtenant's Invitees; (b) any accident, injury to or death of a person, including, without limitation, Subtenant's Agents and Subtenant's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises; (c) any default by Subtenant in the observation or performance of any of the terms, covenants or conditions of this Sublease to be observed or performed on Subtenant's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Subtenant, Subtenant's Agents or Subtenant's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) any construction or other work undertaken by Subtenant on or about the Premises; and (f) any acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees, in, on, or about the Premises or any Alterations, except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Sublease and further except only to the extent such Losses are caused solely by the gross negligence or intentional wrongful acts and omissions of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Sublandlord's costs of

investigating any Loss. Subtenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter. Subtenant's obligations under this Section shall survive the expiration or sooner termination of this Sublease.

17. INSURANCE

- 17.1. Required Insurance Coverage. Subtenant, at its sole cost and expense, shall maintain, or cause to be maintained, through the Term of this Sublease, the following insurance:
- (a) General Liability Insurance. Comprehensive or commercial general liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, Two Million Dollars (\$2,000,000) aggregate for bodily injury and property damage, including coverages for contractual liability, independent contractors, broad form property damage, personal injury, products and completed operations, fire damage and legal liability with limits not less than One Million Dollars (\$1,000,000), explosion, collapse and underground (XCU).
- (b) <u>Automobile Liability Insurance</u>. Comprehensive or business automobile liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including coverages for owned and hired vehicles and for employer's non-ownership liability, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Subtenant's activity on the Premises or the Permitted Use.
- (c) <u>Worker's Compensation and Employer's Liability Insurance</u>. If Subtenant has employees, Worker's Compensation Insurance in statutory amounts with Employer's Liability with limits not less than One Million Dollars (\$1,000,000.00) for each accident, injury or illness, on employees eligible for each.
- (d) <u>Personal Property Insurance</u>. Subtenant, at its sole cost and expense, shall procure and maintain on all of its personal property and Alterations, in, on, or about the Premises, property insurance on an all risk form, excluding earthquake and flood, to the extent of full replacement value. The proceeds from any such policy shall be used by Subtenant for the replacement of Subtenant's personal property.
- (e) Other Coverage. Such other insurance or different coverage amounts as is required by law or as is generally required by commercial owners of property similar in size, character, age and location as the Premises, as may change from time to time, or as may be required by the City's Risk Manager.
- 17.2. <u>Claims-Made Policies</u>. If any of the insurance required in Section 17.1 above is provided under a claims-made form of policy, Subtenant shall maintain such coverage

continuously throughout the Term and without lapse for a period of three (3) years beyond the termination of this Sublease, to the effect that should occurrences during the Term give rise to claims made after termination of this Sublease, such claims shall be covered by such claimsmade policies.

- 17.3. <u>Annual Aggregate Limits</u>. If any of the insurance required in Section 17.1 above is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.
- 17.4. Payment of Premiums. Subtenant shall pay the premiums for maintaining all required insurance.
- 17.5. Waiver of Subrogation Rights. Notwithstanding anything to the contrary contained herein, Sublandlord and Subtenant (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Facility or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Sublease or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Facility or the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

17.6. General Insurance Matters.

- (a) All liability insurance policies required to be maintained by Subtenant hereunder shall contain a cross-liability clause, shall name as additional insureds the "THE TREASURE ISLAND DEVELOPMENT AUTHORITY, CITY AND COUNTY OF SAN FRANCISCO, THE UNITED STATES OF AMERICA, ACTING BY AND THROUGH THE DEPARTMENT OF THE NAVY, AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS," shall be primary to any other insurance available to the additional insureds with respect to claims arising under this Sublease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.
- (b) All insurance policies required to be maintained by Subtenant hereunder shall be issued by an insurance company or companies reasonably acceptable to Sublandlord with an AM Best rating of not less than A-VIII and authorized to do business in the State of California.
- (c) All insurance policies required to be maintained by Subtenant hereunder shall provide for thirty (30) days' prior written notice of cancellation for any reason, intended non-renewal, or reduction in coverage to Subtenant and Sublandlord. Such notice shall be given in accordance with the notice provisions of Section 21.1 below.

- (d) Subtenant shall deliver to Sublandlord certificates of insurance and additional insured policy endorsements in a form satisfactory to Sublandlord evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Subtenant shall, upon Sublandlord's request, promptly furnish Sublandlord with a complete copy of any insurance policy required hereunder.
- (e) Not more often than every year and upon not less than sixty (60) days' prior written notice, Sublandlord may require Subtenant to increase the insurance limits set forth in Section 17.1 above if Sublandlord finds in its reasonable judgment that it is the general commercial practice in San Francisco to carry insurance in amounts substantially greater than those amounts carried by Subtenant with respect to risks comparable to those associated with the use of the Premises.
- (f) Subtenant's compliance with the provisions of this Section shall in no way relieve or decrease Subtenant's indemnification obligations herein or any of Subtenant's other obligations or liabilities under this Sublease.
- (g) Notwithstanding anything to the contrary in this Sublease, Sublandlord may elect in Sublandlord's sole and absolute discretion to terminate this Sublease upon the lapse of any required insurance coverage by written notice to Subtenant.

18. ACCESS BY SUBLANDLORD

18.1. Access to Premises by Sublandlord.

- (a) General Access. Sublandlord reserves for itself and Sublandlord's Agents, the right to enter the Premises and any portion thereof at all reasonable times upon not less than twenty-four (24) hours oral or written notice to Subtenant (except in the event of an emergency) for any purpose.
- (b) Emergency Access. In the event of any emergency, as determined by Sublandlord, Sublandlord may, at its sole option and without notice, enter the Premises and alter or remove any Alterations or Subtenant's Personal Property on or about the Premises. Sublandlord shall have the right to use any and all means Sublandlord considers appropriate to gain access to any portion of the Premises in an emergency. In such case, Sublandlord shall not be responsible for any damage or injury to any such property, nor for the replacement of any such property and any such emergency entry shall not be deemed to be a forcible or unlawful entry onto or a detainer of, the Premises, or an eviction, actual or constructive, of Subtenant from the Premises or any portion thereof.
- (c) No Liability. Sublandlord shall not be liable in any manner, and Subtenant hereby waives any claims, for any inconvenience, disturbance, loss of business, nuisance or other

damage arising out of Sublandlord's entry onto the Premises, except damage resulting directly and exclusively from the gross negligence or willful misconduct of Sublandlord or Sublandlord's Agents and not contributed to by the acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees.

18.2. <u>Access to Premises by Master Landlord</u>. Subtenant acknowledges and agrees that Master Landlord shall have all of the rights of access to the Premises described in the Master Lease.

19. SURRENDER

- 19.1. Surrender of the Premises. Upon the termination of this Sublease, Subtenant shall surrender to Sublandlord the Premises in the same condition as of the Commencement Date, ordinary wear and tear excepted, and free and clear of all liens, easements and other encumbrances created or suffered by, through or under Subtenant. On or before any termination hereof, Subtenant shall, at its sole cost, remove any and all of Subtenant's Personal Property from the Premises and demolish and remove any and all Alterations from the Premises (except for any Alterations that Sublandlord agrees are to remain part of the Premises pursuant to the provisions of Section 8.3 above). In addition, Subtenant shall, at its sole expense, repair any damage to the Premises resulting from the removal of any such items and restore the Premises to their condition immediately prior to the presence of any Alterations. In connection therewith, Subtenant shall obtain any and all necessary permits and approvals, including, without limitation, any environmental permits, and execute any manifests or other documents necessary to complete the demolition, removal or restoration work required hereunder. Subtenant's obligations under this Section shall survive the termination of this Sublease. Any items of Subtenant's Personal Property remaining on or about the Premises after the termination of this Sublease may, at Sublandlord's option and after thirty (30) days written notice to Subtenant, be deemed abandoned and in such case Sublandlord may dispose of such property in accordance with Section 1980, et seq., of the California Civil Code or in any other manner allowed by Law.
- 19.2. No Holding Over. If Subtenant fails to surrender the Premises to Sublandlord upon the termination of this Sublease as required by this Section, Subtenant shall Indemnify Sublandlord against all Losses resulting therefrom, including, without limitation, Losses made by a succeeding Subtenant resulting from Subtenant's failure to surrender the Premises. Subtenant shall have no right to hold over without the prior written consent of Sublandlord, which consent may be withheld in Sublandlord's sole and absolute discretion. If Sublandlord holds over the Premises or any part thereof after expiration or earlier termination of this Sublease, such holding over shall be terminable upon written notice by Sublandlord, and the Base Rent shall be increased to two hundred percent (200%) of the Base Rent in effect immediately prior to such holding over, and such holdover shall otherwise be on all the other terms and conditions of this Sublease. This Section shall not be construed as Sublandlord's permission for Subtenant to hold over. Acceptance of any holdover Base Rent by Sublandlord following expiration or termination of this Sublease shall not constitute an extension or renewal of this Sublease.

19.3. Security Deposit. Subtenant shall pay to Sublandlord upon execution of this Sublease a security deposit in the amount set forth in the Basic Sublease Information as security for the faithful performance of all terms, covenants and conditions of this Sublease. Subtenant agrees that Sublandlord may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Subtenant, Subtenant's Agents or Subtenant's Invitees, or any failure of Subtenant to perform any other terms, covenants or conditions contained in this Sublease, without waiving any of Sublandlord's other rights and remedies hereunder or at Law or in equity. Should Sublandlord use any portion of the security deposit to cure any Event of Default by Subtenant hereunder, Subtenant shall immediately replenish the security deposit to the original amount, and Subtenant's failure to do so within five (5) days of Sublandlord's notice shall constitute a material Event of Default under this Sublease. Sublandlord's obligations with respect to the security deposit are solely that of debtor and not trustee. Sublandlord shall not be required to keep the security deposit separate from its general funds, and Subtenant shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Subtenant's liability for the performance of any of its obligations under this Sublease. To the extent that Sublandlord is not entitled to retain or apply the security deposit pursuant to this Section 20.3, Sublandlord shall return such security deposit to Subtenant within forty-five (45) days of the termination of this Sublease.

20. HAZARDOUS MATERIALS

20.1. No Hazardous Materials. Subtenant covenants and agrees that neither Subtenant nor any of Subtenant's Agents or Subtenant's Invitees shall cause or permit any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment, including, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended (42 U.S.C. Sections 9601 et seq.), or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Premises, or are naturally occurring substances on, in or about the Premises; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids ("Hazardous Material") to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or transported to or from the Premises without the prior written approval of Sublandlord, which approval may be withheld in Sublandlord's sole and absolute discretion. Subtenant shall immediately notify Sublandlord if and when Subtenant learns or has reason to believe there has been any release of Hazardous Material in, on or about the Premises. Sublandlord may from time to time request Subtenant to provide adequate information for Sublandlord to determine that any Hazardous Material permitted hereunder is being handled in compliance with all applicable federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental

conditions in, on, under or about the Premises and any other property, including, without limitation, soil, air and groundwater conditions ("Environmental Laws"), and Subtenant shall promptly provide all such information. Sublandlord and Sublandlord's Agents shall have the right to inspect the Premises for Hazardous Material and compliance with the provisions hereof at all reasonable times upon reasonable advance oral or written notice to Subtenant (except in the event of an emergency). Subtenant agrees that it shall comply, without limiting the foregoing, with the provisions of Article 21 of the San Francisco Health Code including, without limitation, regarding obtaining and complying with the requirements of an approved hazardous materials management plan, and with the requirements of the environmental protection provisions provided for in Section 13 of the Master Lease.

- 20.2. Subtenant's Environmental Indemnity. If Subtenant breaches any of its obligations contained in Section 20.1 above, or, if any act or omission or negligence of Subtenant or any of Subtenant's Agents or Subtenant's Invitees results in any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leeching or dumping ("Release") of Hazardous Material in, on, under or about the Premises or the Property, without limiting Subtenant's general Indomnity contained in Section 16.2 above, Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties, and each of them, from and against any and all enforcement, investigation, remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental Laws together with any and all Losses made or threatened by any third party against Sublandlord, Sublandlord's Agents, or the Premises, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, Release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law, investigation and remediation costs, fines, natural resource damages, damages for decrease in value of the Premises, the loss or restriction of the use or any amenity of the Premises and attorneys' fees and consultants' fees and experts' fees and costs ("Hazardous Materials Claims") arising during or after the Term of this Sublease and relating to such Release. The foregoing Indemnity includes, without limitation, all costs associated with the investigation and remediation of Hazardous Material and with the restoration of the Premises or the Property to its prior condition including, without limitation, fines and penalties imposed by regulatory agencies, natural resource damages and losses, and revegetation of the Premises or other Sublandlord property. Without limiting the foregoing, if Subtenant or any of Subtenant's Agents or Subtenant's Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or the Property, Subtenant shall, immediately, at no expense to Sublandlord, take any and all appropriate actions to return the Premises or other Sublandlord property affected thereby to the condition existing prior to such Release and otherwise investigate and remediate the Release in accordance with all Environmental Laws. Subtenant shall provide Sublandlord with written notice of and afford Sublandlord a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, permit, approvals, or other compromise or proceeding involving Hazardous Material.
- 20.3. <u>Acknowledgment of Receipt of EBS and FOSL Reports</u>. Subtenant hereby acknowledges for itself and Subtenant's Agents that, prior to the execution of this Sublease, it

has received and reviewed the Environmental Baseline Survey ("EBS") and the Finding of Suitability to Lease ("FOSL") described in Section 7 of the Master Lease. California law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous Materials. Accordingly, Subtenant is hereby advised that occupation of the Premises may lead to exposure to Hazardous Materials such as, but not limited to, gasoline, diesel and other vehicle fluids, vehicle exhaust, office maintenance fluids, tobacco smoke, methane and building materials containing chemicals, such as formaldehyde. Further, there are Hazardous Materials located on the Premises as described in the EBS and the FOSL. In addition, California's Proposition 65, Health and Safety Code Section 25249.6 et seq., requires notice that some of these Hazardous Materials are known by the State of California to cause cancer or reproductive harm. By execution of this Sublease, Subtenant acknowledges that the notices and warnings set forth above satisfy the requirements of California Health and Safety Code Sections 25249.6 et seq., 25359.7 and related statutes.

21. GENERAL PROVISIONS

- 21.1. Notices. Except as otherwise expressly provided in this Sublease, any notice given hereunder shall be effective only in writing and given by delivering the notice in person, or by sending it first class mail or certified mail with a return receipt requested or reliable commercial overnight courier, return receipt requested, with postage prepaid, to the appropriate addresses set forth in the Basic Sublease Information. Any Party hereunder may designate a new address for notice purposes hereunder at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made, if sent by commercial overnight carrier, or upon the date personal delivery is made, and any refusal by either Party to accept the attempted delivery of any notice, if such attempted delivery is in compliance with this Section 21.1 and applicable Laws, shall be deemed receipt of such notice.
- 21.2. No Implied Waiver. No failure by Sublandlord to insist upon the strict performance of any obligation of Subtenant under this Sublease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial payment of Rent due hereunder during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of Sublandlord, shall constitute a waiver of such breach or of Sublandlord's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Sublease. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. The consent of Sublandlord given in any instance under the terms of this Sublease shall not relieve Subtenant of any obligation to secure the consent of Sublandlord in any other or future instance under the terms of this Sublease.

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conditions in, on, under or about the Premises and any other property, including, without limitation, soil, air and groundwater conditions ("Environmental Laws"), and Subtenant shall promptly provide all such information. Sublandlord and Sublandlord's Agents shall have the right to inspect the Premises for Hazardous Material and compliance with the provisions hereof at all reasonable times upon reasonable advance oral or written notice to Subtenant (except in the event of an emergency). Subtenant agrees that it shall comply, without limiting the foregoing, with the provisions of Article 21 of the San Francisco Health Code including, without limitation, regarding obtaining and complying with the requirements of an approved hazardous materials management plan, and with the requirements of the environmental protection provisions provided for in Section 13 of the Master Lease.

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21. GENERAL PROVISIONS

- 21.1. Notices. Except as otherwise expressly provided in this Sublease, any notice given hereunder shall be effective only in writing and given by delivering the notice in person, or by sending it first class mail or certified mail with a return receipt requested or reliable commercial overnight courier, return receipt requested, with postage prepaid, to the appropriate addresses set forth in the Basic Sublease Information. Any Party hereunder may designate a new address for notice purposes hereunder at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made, if sent by commercial overnight carrier, or upon the date personal delivery is made, and any refusal by either Party to accept the attempted delivery of any notice, if such attempted delivery is in compliance with this Section 21.1 and applicable Laws, shall be deemed receipt of such notice.
- 21.2. No Implied Waiver. No failure by Sublandlord to insist upon the strict performance of any obligation of Subtenant under this Sublease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial payment of Rent due hereunder during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of Sublandlord, shall constitute a waiver of such breach or of Sublandlord's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Sublease. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. The consent of Sublandlord given in any instance under the terms of this Sublease shall not relieve Subtenant of any obligation to secure the consent of Sublandlord in any other or future instance under the terms of this Sublease.

- 21.3. <u>Amendments</u>. Neither this Sublease nor any term or provision hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the Parties hereto.
- 21.4. <u>Authority</u>. If Subtenant signs as a corporation, a partnership or a limited liability company, each of the persons executing this Sublease on behalf of Subtenant does hereby covenant and warrant that Subtenant is a duly authorized and existing entity, that Subtenant has and is qualified to do business in California, that Subtenant has full right and authority to enter into this Sublease, and that each and all of the persons signing on behalf of Subtenant are authorized to do so. Upon Sublandlord's request, Subtenant shall provide Sublandlord with evidence reasonably satisfactory to Sublandlord confirming the foregoing representations and warranties. Without limiting the generality of the foregoing, Subtenant represents and warrants that it has full power to make the waivers and releases, indemnities and the disclosures set forth herein, and that it has received independent legal advice from its attorney as to the advisability of entering into a sublease containing those provisions and their legal effect.
- 21.5. <u>Joint and Several Obligations</u>. The word "Subtenant" as used herein shall include the plural as well as the singular. If there is more than one Subtenant, the obligations and liabilities under this Sublease imposed on Subtenant shall be joint and several.
- 21.6. Interpretation of Sublease. The captions preceding the articles and sections of this Sublease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Sublease. This Sublease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the party responsible for drafting any part of this Sublease. Provisions in this Sublease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or Sublandlord holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Sublease, whether or not language of non-limitation, such as "without limitation" or similar words, are used. Unless otherwise provided herein, whenever the consent of Sublandlord is required to be obtained by Subtenant hereunder, Sublandlord may give or withhold such consent in its sole and absolute discretion.
- 21.7. Successors and Assigns. Subject to the provisions of Section 14, the terms, covenants and conditions contained in this Sublease shall bind and inure to the benefit of Sublandlord and Subtenant and, except as otherwise provided herein, their personal representatives and successors and assigns; provided, however, that upon any transfer by Sublandlord (or by any subsequent Sublandlord) of its interest in the Premises as lessee, including any transfer by operation of Law, Sublandlord (or any subsequent Sublandlord) shall be relieved from all subsequent obligations and liabilities arising under this Sublease subsequent to such transfer.

- 21.8. <u>Brokers</u>. Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the Sublease contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Losses incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Sublease.
- 21.9. Severability. If any provision of this Sublease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Sublease shall be valid and be enforceable to the fullest extent permitted by Law.
- 21.10. <u>Governing Law</u>. This Sublease shall be construed and enforced in accordance with the Laws of the State of California and the federal government.
- 21.11. Entire Agreement. This instrument (including the exhibits hereto, which are made a part of this Sublease) contains the entire agreement between the Parties and supersedes all prior written or oral negotiations, discussions, understandings and agreements. The Parties further intend that this Sublease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts of this Sublease and any changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Sublease. Subtenant hereby acknowledges that neither Sublandlord nor Sublandlord's Agents have made any representations or warranties with respect to the Premises or this Sublease except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Subtenant by implication or otherwise unless expressly set forth herein.
- 21.12. Attornevs' Fees. In the event that either Sublandlord or Subtenant fails to perform any of its obligations under this Sublease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Sublease, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees. For purposes of this Sublease, reasonable fees of attorneys in the Office of the San Francisco City Attorney (Sublandlord's General Counsel) shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City and County of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. Further, for purposes of this Sublease, the term "attorneys' fees" shall mean the fees and expenses of counsel to the Parties, which may include printing,

duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, librarians and others not admitted to the bar but performing services under the supervision of an attorney. The term "attorneys' fees" shall also include, without limitation, all such fees and expenses incurred with respect to appeals, mediations, arbitrations, and bankruptey proceedings, and whether or not any action is brought with respect to the matter for which such fees and costs were incurred. The term "attorney" shall have the same meaning as the term "counsel".

- 21.13. <u>Time of Essence</u>. Time is of the essence with respect to all provisions of this Sublease in which a definite time for performance is specified.
- 21.14. <u>Cumulative Remedies</u>. All rights and remedies of either party hereto set forth in this Sublease shall be cumulative, except as may otherwise be provided herein.
- 21.15. Survival of Indemnities. Termination of this Sublease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Sublease, nor shall it affect any provision of this Sublease that expressly states it shall survive termination hereof. Subtenant specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Sublease, Subtenant has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter.
- 21.16. Relationship of Parties. Sublandlord is not, and none of the provisions in this Sublease shall be deemed to render Sublandlord, a partner in Subtenant's business, or joint venturer or member in any joint enterprise with Subtenant. This Sublease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided. The granting of this Sublease by Sublandlord does not constitute authorization or approval by Sublandlord of any activity conducted by Subtenant on, in or relating to the Premises.
- 21.17. Recording. Subtenant agrees that it shall not record this Sublease nor any memorandum or short form hereof in the official records of any county.
- 21.18. Non-Liability of Indemnified Parties' Officials, Employees and Agents. No elective or appointive board, commission, member, officer or employee of any of the Indemnified Parties shall be personally liable to Subtenant, its successors and assigns, in the event of any default or breach by Sublandlord or for any amount which may become due to Subtenant, its successors and assigns, or for any obligation of Sublandlord under this Sublease.
- 21.19. No Discrimination. Subtenant shall comply with the non-discrimination provisions of Section 19.1 of the Master Lease, including, without limitation, posting all notices required therein.

- 21.20. <u>Counterparts</u>. This Sublease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- 21.21. Master Landlord's Consent. This Sublease is expressly conditioned upon receipt of the written consent of Master Landlord.

22. SPECIAL PROVISIONS

- 22.1. Signs. Subtenant agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Premises or from the exterior of the Premises, without Sublandlord's prior written consent, which Sublandlord may withhold or grant in its sole discretion.
- 22.2. <u>Public Transit Information</u>. Subtenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Subtenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Premises and encouraging use of such facilities, all at Subtenant's sole expense.
- **22.3.** TIHDI Job Broker. Subtenant shall comply with the requirements of the TIHDI Work Force Hiring Plan attached hereto as Exhibit F.
- **22.4.** <u>Local Hiring</u>. Subtenant further agrees to use good faith efforts to hire residents of the City and County of San Francisco at all levels of Subtenant's personnel needs and to contract with local businesses for Subtenant's purchase of supplies, materials, equipment or services.

22.5. Non-Discrimination in City Contracts and Benefits Ordinance.

- (a) <u>Covenant Not to Discriminate</u>. In the performance of this Sublease, Subtenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with, Subtenant in any of Subtenant's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Subtenant.
- (b) <u>Sub-Subleases and Other Subcontracts</u>. Subtenant shall include in all sub-subleases

and other subcontracts relating to the Premiscs a non-discrimination clause applicable to such sub-subtenant or other subcontractor in substantially the form of <u>subsection</u> (a) above. In addition, Subtenant shall incorporate by reference in all sub-subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all sub-subtenants and other subcontractors to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Sublease.

- (c) Non-Discrimination in Benefits. Subtenant does not as of the date of this Sublease and will not during the Term, in any of its operations or in San Francisco or with respect to its operations under this Sublease elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.
- (d) <u>CMD Form.</u> As a condition to this Sublease, Subtenant shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco City Administrator's Contract Monitoring Division (the "CMD"). Subtenant hereby represents that prior to execution of this Sublease, (i) Subtenant executed and submitted to the CMD Form CMD-12B-101 with supporting documentation; and (ii) the CMD approved such form.
- (e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Subtenant shall comply fully with and be bound by all of the provisions that apply to this Sublease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters without limiting the foregoing, Subtenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50.00) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Sublease may be assessed against Subtenant and/or deducted from any payments due Subtenant.
- 22.6. MacBride Principles Northern Ireland. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Subtenant acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

- 22.7. Tropical Hardwood and Virgin Redwood Ban. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product. Except as expressly permitted by the application of Section 802(b) and 803(b) of the San Francisco Environment Code, Subtenant shall not provide any items to the construction of tenant improvements or Alterations in the Premises, or otherwise in the performance of this Sublease, which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Subtenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Subtenant shall be liable for liquidated damages for each violation in an amount equal to Subtenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.
- 22.8. Wages and Working Conditions. Subtenant agrees that any person performing labor in the construction of any tenant improvements and any Alterations to the Premises, which Subtenant provides under this Sublease, shall be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco, California. Subtenant shall include, in any contract for construction of such tenant improvements and Alterations, a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Subtenant shall require any contractor to provide, and shall deliver to Sublandlord upon request, certified payroll reports with respect to all persons performing labor in the construction of such tenant improvement work or any Alterations to the Premises.
- 22.9. <u>Prohibition of Alcoholic Beverage Advertising</u>. Subtenant acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Premises. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of alcoholic beverages, (ii) encourage people not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services.
- **22.10.** <u>Prohibition of Tobacco Sales and Advertising</u>. Subtenant acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of Sublandlord or the City, including the Premises and the Property. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any

advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

- 22.11. Pesticide Prohibition. Subtenant shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Subtenant to submit to Sublandlord an integrated pest management ("IPM") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Subtenant may need to apply to the Premises during the terms of this Sublease, (b) describes the steps Subtenant will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as Subtenant's primary IPM contact person with the City. In addition, Subtenant shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.
- 22.12. First Source Hiring Ordinance. The City has adopted a First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264 98) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry level positions. Within thirty (30) days after Sublandlord adopts a First Source Hiring Implementation and Monitoring Plan in accordance with the First Source Hiring Ordinance, Subtenant shall enter into a First Source Hiring Agreement that meets the applicable requirements of Section 83.9 of the First Source Hiring Ordinance.
- 22.13. Sunshine Ordinance. In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City departments and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.
- 22.14. Conflicts of Interest. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provisions, and agrees that if Subtenant becomes aware of any such fact during the Term of this Sublease, Subtenant shall immediately notify Sublandlord.
- 22.15. <u>Charter Provision</u>. This Sublease is governed by and subject to the provisions of the Charter of the City and County of San Francisco.

- 22.16. Requiring Health Benefits for Covered Employees. Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Sublease as though fully set forth. The text of the HCAO is available on the web at http://www.sfgov.org/olse/hcao. Capitalized terms used in this Section and not defined in this Sublease shall have the meanings assigned to such terms in Chapter 12Q.
- (a) For each Covered Employee, Subtenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Subtenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if Subtenant is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with <u>Subsection (a)</u> above.
- (c) Subtenant's failure to comply with the HCAO shall constitute a material breach of this Sublease. Sublandlord shall notify Subtenant if such a breach has occurred. If, within thirty (30) days after receiving City's written notice of a breach of this Sublease for violating the HCAO, Subtenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Subtenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, Sublandlord shall have the right to pursue the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to Sublandlord.
- (d) Any Subcontract entered into by Subtenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Subtenant shall notify City's Purchasing Department when it enters into such a Subcontract and shall certify to the Purchasing Department that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Subtenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the Sublandlord may pursue the remedies set forth in this Section against Subtenant based on the Subcontractor's failure to comply, provided that Sublandlord has first provided Subtenant with notice and an opportunity to obtain a cure of the violation.
- (e) Subtenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying Sublandlord with regard to Subtenant's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Subtenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Subtenant shall keep itself informed of the current requirements of the HCAO.
- (h) Subtenant shall provide reports to Sublandlord in accordance with any reporting standards promulgated by Sublandlord under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (i) Subtenant shall provide Sublandlord with access to records pertaining to compliance with the HCAO after receiving a written request from Sublandlord to do so and being provided at least five (5) business days to respond.
- (j) Sublandlord may conduct random audits of Subtenant to ascertain its compliance with HCAO. Subtenant agrees to cooperate with Sublandlord when it conducts such audits.
- (k) If Subtenant is exempt from the HCAO when this Sublease is executed because its amount is less than Twenty-Five Thousand Dollars (\$25,000) (or [Fifty Thousand Dollars (\$50,000) if Subtenant is a qualified nonprofit), but Subtenant later enters into an agreement or agreements that cause Subtenant's aggregate amount of all agreements with Sublandlord to reach Seventy-Five Thousand Dollars (\$75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Subtenant and the Contracting Department to be equal to or greater than Seventy-Five Thousand Dollars (\$75,000) in the fiscal year.
- 22.17. Notification of Limitations on Contributions. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City or a state agency on whose board an appointee of a City elective officer serves, for the selling or leasing of any land or building to or from the City or a state agency on whose board an appointee of a City elective officer serves, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six (6) months after the date the contract is approved. Subtenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Subtenant further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Subtenant's board of directors; Subtenant's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Subtenant; any subcontractor listed in the bid or

contract; and any committee that is sponsored or controlled by Subtenant. Additionally, Subtenant acknowledges that Subtenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Subtenant further agrees to provide Sublandlord the name of each person, entity or committee described above.

- 22.18. Preservation-Treated Wood Containing Arsenic. As of July 1, 2003, Subtenant may not purchase preservative-treated wood products containing arsenic in the performance of this Sublease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Subtenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Subtenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.
- 22.19. Resource Efficient City Buildings and Pilot Projects. Subtenant acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Sections 700 to 707 relating to resource-efficient City buildings and resource-efficient pilot projects. Subtenant hereby agrees that it shall comply with all applicable provisions of such code sections.
- 22.20. Food Service Waste Reduction. Subtenant agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in the San Francisco Environment Code, Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Sublease as though fully set forth. This provision is a material term of this Sublease. By entering into this Sublease, Subtenant agrees that if it breaches this provision, Sublandlord will suffer actual damages that will be impractical or extremely difficult to determine; further, Subtenant agrees that the sum of One Hundred Dollars (\$100.00) liquidated damages for the first breach, Two Hundred Dollars (\$200.00) liquidated damages for the second breach in the same year, and Five Hundred Dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that Sublandlord will incur based on the violation, established in light of the circumstances existing at the time this Sublease was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by Sublandlord because of Subtenant's failure to comply with this provision.
- **22.21.** Estoppel Certificates. At any time and from time to time, within ten (10) days after Sublandlord's request, Subtenant will execute, acknowledge and deliver to Sublandlord a statement certifying the following matters: (a) the Commencement Date and Expiration Date of this Sublease; (b) that this Sublease is unmodified and in full force and effect (or if there have been modifications, that this Sublease is in full force and effect as modified and the date and

nature of such modifications); (c) the dates to which the Rent has been paid; (d) that there are no Events of Default under this Sublease (or if there are any Events of Default, the nature of such Event of Default); and (e) any other matters reasonably requested by Sublandlord. Sublandlord and Subtenant intend that any such statement delivered pursuant to this paragraph may be relied upon by any assignce of Sublandlord's interest in the Master Lease or this Sublease, any mortgagee or any purchaser or prospective purchaser of the building or land on which the Premises are located. Subtenant irrevocably appoints Sublandlord, as Subtenant's agent, to execute and deliver in the name of Sublandlord any such instrument if Subtenant fails to do so, which failure shall also be an Event of Default under this Sublease.

- 22.22. <u>Addendum</u>. The terms of the Addendum, if any, attached to this Sublease are incorporated into the Sublease by reference. In the event of any inconsistency between the Sublease and the Addendum, the terms of the Addendum shall control.
- 22.23. <u>Cooperative Drafting</u>. This Sublease has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Sublease reviewed and revised by legal counsel. No party shall be considered the drafter of this Sublease, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Sublease.

22.24 Criminal History in Hiring and Employment Decisions

- (a) Unless exempt, Subtenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; "Chapter 12 T"), which are hereby incorporated as may be amended from time to time, with respect to applicants and employees of Subtenant who would be or are performing work at the Premises.
- (b) Subtenant shall incorporate by reference the provisions of Chapter 12T in all subleases of some or all of the Premises, and shall require all subsubtenants to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.
- (c) Subtenant and subsubtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.
 - (d) Subtenant and subsubtenants shall not inquire about or require applicants,

potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Subtenant and subsubtenants shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

- (e) Subtenant and subsubtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Subtenant or subsubtenant at the Premises, that the Subtenant or subsubtenant will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.
- (f) Subtenant and subsubtenants shall post the notice prepared by the Office of Labor Standards Enforcement ("OLSE"), available on OLSE's website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.
- (g) Subtenant and subsubtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.
- (h) If Subtenant has any questions about the applicability of Chapter 12T, it may contact the City's Real Estate Division for additional information. City's Real Estate Division may consult with the Director of the City's Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8.

22.25 Local Hiring Requirements for Subtenant Alterations and Improvements.

Subtenant Alterations and Improvements are subject to the San Francisco Local Hiring Policy for Construction ("Local Hiring Policy") (San Francisco Administrative Code §6.22(G)) mless the subtenant improvements are undertaken and contracted for by Subtenant and are estimated to cost less than \$750,000 per building permit; or meet any of the other exemptions in San Francisco Administrative Code Section 6.22(G). Accordingly, Subtenant, as a condition of this Lease, agrees that, unless subject to an exemption or conditional waiver, Subtenant shall comply with the obligations in San Francisco Administrative Code Section 6.22(G), and shall require Subtenant's subsubtenants to comply with those obligations to the extent applicable. The requirements are summarized below. Before starting any Subtenant Improvement Work, Subtenant shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Subtenant Improvement Work, and Subtenant shall comply with all such requirements. Subtenant's failure to comply with the

obligations in this subsection shall constitute a material breach of this Sublease and may subject Subtenant and its subsubtenants to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penaltics.

- For each contractor and subcontractor performing subtenant improvements in amounts
 exceeding the Threshold Amount for a Covered Project, Subtenant and its subsubtenants shall
 comply with the applicable mandatory participation levels for Project Work Hours performed by
 Local Residents, Disadvantaged Workers, and Apprentices set forth in Administrative Code

 §6.2.2(G)(4).
- (2) For Covered Projects estimated to cost more than \$1,000,000, prior to commencement of any work subject to the Local Hiring Policy, Subtenant and its subsubtenants shall prepare and submit to Sublandlord and the City's Office of Economic and Workforce Development (OEWD) for approval a "local hire plan" for the project in accordance with Administrative Code \$6.22(G)(6).
- (3) Subtenant and its subsubtenants shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises
- (4) Subtenant agrees that (i) Subtenant shall comply with all applicable requirements of the Local Hiring Policy; (ii) the provisions of the Local Hiring Policy are reasonable and achievable by Subtenant and its subsubtenants; and (iii) Subtenant and its subsubtenants have had a full and fair opportunity to review and understand the terms of the Local Hiring Policy.

22.26 Local Hiring Requirements for Special Events.

Unless exempt, if Subtenant has a special event on the premises, Subtenant must comply with all applicable provisions of the San Francisco Local Hiring Policy in the performance of construction activities during the set-up, execution and strike of Events of four (4) or more consecutive or non-consecutive days. Before starting any Construction Work for Special Events covered under the Local Hiring Policy, Event Sponsor shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Special Event, and Event Sponsor shall comply with all such requirements. Failure to comply with the obligations in this subsection shall constitute a material breach and may subject Event Sponsor to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penalties.

- For construction work on events covered by the Local Hiring Policy that exceed \$400,000, a budget of construction activities must be submitted with this application for review by OEWD.
- (2) Contractors shall comply with the applicable mandatory participation levels for Project

Work Hours performed by Local Residents, Disadvantaged Workers, and Apprentices as set forth in Section 6.22(G)(4).

- (3) Contractors shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises.
- **22.27.** <u>Bottled Drinking Water.</u> Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24, including the administrative fines, remedies, and implementing regulations provided therein, as the same may be amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Sublease as though fully set forth.

Sublandlord and Subtenant have executed this Sublease in triplicate as of the date first written above.

SUBTENANT:

GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership

By: Cellco Partnership, Its General Partner
By:
Name: Brian Mecum
Title: Area Vice President Network
SUBLANDLORD: TREASURE ISLAND DEVELOPMENT AUTHORITY
By:Robert P. Beck
Treasure Island Director

ÐE	NNIS J. HERRERA, Cit	y Attorney			
Ву	Deputy City Attorney				
	Deputy City Attorney				

(initial)

Sublease Prepared By: Richard A. Rovetti, Deputy Director of Real Estate

APPROVED AS TO FORM:

EXHIBIT A MASTER LEASE

EXHIBIT B

DIAGRAM OF PREMISES

EXHIBIT C

COVER PAGE OF THE SEISMIC REPORT

EXHIBIT D

RULES AND REGULATIONS

- 1. All rules and regulations set out in the Master Lease shall prevail.
- No signs, advertisements, or notices shall be attached to, or placed on, the exterior or interior of the Building or elsewhere on the Property, without prior written approval of Sublandlord.
- 3. Subtenant's contractors and invitees, while on the Premises or Subtenant's parking area, shall be subject to these Rules and Regulations, and will be subject to direction from Sublandlord and its agents, but will not be an agent or contractor of the Sublandlord or its agents. Subtenant's contractors shall be licensed by the State, insured and bonded at the amount requested by the Sublandlord.
- Subtenant shall install and maintain at Subtenant's expense, any life safety equipment required by governmental rules, regulations or laws to be kept on the Premises.

EXHIBIT E

STANDARD UTILITIES AND SERVICES AND RATES

Utilities Rate Schedule

Utility Service	Rate	Unit
Electric Rate	\$0.14	per kwh
Water Rate	\$7.70	per kgal
Sewer Rate	\$13.70	per kgal
Gas Rate	\$0.60	per kcf

Rates are subject to adjustment.

Subtenant shall install utility Submeters to the satisfaction of Sublandlord.

Subtenant shall arrange for delivery of utility services to the premises by making a "Request for Utilities Services" by contacting:

San Francisco Public Utilities Commission c/o Treasure Island Development Authority One Avenue of the Palms Treasure Island San Francisco, CA. 94130 Attn: Mr. Sam Larano

(415) 274-0333 (415) 554-0724

EXHIBIT F

TIHDI WORKFORCE HIRING PLAN

TIHDI Job Broker Program Requirements for Island Tenants

As part of the workforce hiring goals for Treasure Island, the Treasure Island Development Authority's (TIDA) requires that Island commercial tenants are to make good faith efforts to fill appropriate available on-Island positions through the Treasure Island Homeless Development Initiative (TIHDI) TIHDI Job Broker Program (TJBP). All new non-supervisorial positions created by on-Island commercial tenants and businesses should be opened to consideration of TJBP candidates, and San Francisco residents should account for a majority of all new hires by on-Island commercial tenants and businesses.

In order to help commercial tenants reach these goals, the TJBP provides free and immediate access to San Francisco's extensive non-profit employment & training programs and to a resource pool of individuals with varied skill levels and work experience backgrounds.

Through the TJBP, a job description and set of qualification requirements for the new or open position is distributed to the TJBP's network of employment service agencies on behalf of the commercial tenant. Appropriate candidates from these agencies are then referred to the commercial tenant for interviewing. All of the TJBP referrals are required to meet universal standards of job readiness.

To effectively implement the Good Faith provisions of the TJBP, commercial tenants are asked to provide TIHDI with a written plan, list available jobs with TIHDI prior to public advertisement, consider TJBP referrals, and establish an ongoing relationship with the TJBP.

Additionally, if a commercial tenant does not anticipate making any new hires, it can meet its requirements under the TJBP by contracting with one of the two on-Island social enterprise operations: Toolworks Janitorial Services and/or Rubicon Programs Landscaping. Contact the TJHDI Job Broker for these services and for further information on the TJHDI Job Broker System to discuss and develop your workforce hiring plan.

For further information on the TIHDI Job Broker Program, please contact:

Noel Santos TIHDI Job Broker (415) 274-0311 ex. 302 nsantos@tihdi.org

ADDENDUM TO SUBLEASE

This is an Addendum to the Sublease dated as of June 1, 2015, between the Treasure Island Development Authority ("Sublandlord"), and GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership ("Subtenant"), relating to certain premises described in the Sublease.

This Addendum supersedes and replaces the terms of the Sublease to which it is attached to the extent of any inconsistency between the Sublease and this Addendum. All capitalized terms used in this Addendum and not defined herein shall have the meanings set forth in the Sublease.

Sublandlord and Subtenant agree as follows:

- 1. New Sections 22.28 through 22.31. New Sections 22.28 through 22.31 are hereby added to the Sublease, which state in their entirety as follows:
 - "22.28. Radio Frequency Radiation and Electromagnetic Fields. Without limiting Section 11.1 above, Subtenant shall comply with all present and future laws, orders and regulations of federal, state, county and municipal authorities relating to allowable presence of or human exposure to Radiofrequency Radiation ("RFs") or Electromagnetic Fields ("EMFs") on or off the Premises, including without limitation, all applicable standards adopted by the Federal Communications Commission, whether such RF or EMF presence or exposure results from Subtenant's equipment alone or from the cumulative effect of Subtenant's equipment added to all other sources in and around the Premises, and Subtenant shall not cause an increase in RF or EMF levels in and around the Premises such that the cumulative levels exceed applicable standards adopted by the Federal Communications Commission. Sublandlord shall require any third party entering into an occupancy or use agreement after the Commencement Date to agree not to cause an increase in RF or EMF levels in and around the Premises such that the cumulative levels exceed allowable levels. Without limiting the provisions of Tenant's indemnity contained in Section 16.2 (Subtenant's Indemnity), Subtenant, on behalf of itself and its successors and assigns, shall indemnify the "Indemnified Parties", and each of them, from and against all "Claims" incurred in connection with or arising in whole or in part from the presence of or exposure to RFs or EMFs resulting from Subtenant's use of the Premises.
 - 22.29 Protection Against Interference. Subtenant will not permit its equipment or use of the Premises as a communications site to cause interference with or impairment of the City's 911 Public Communications Safety System or Citywide 800 MGHz Radio System or other communication or computer equipment used by City, Sublandord or any of its agents or subtenants. Subtenant will not use the Premises or its equipment located in the Premises in any way which interferes with any existing use of the Property prior to this Sublease or any future use of the Property by Sublandlord or its subtenants (including, without limitation, Sublandlord's or its subtenants' use of the Property with related radio, telephone and other communications transmission and reception), and such interference shall be deemed a material breach of this Sublease by Subtenant, which shall, upon notice from Sublandlord, be responsible for terminating

such interference. In the event any such interference does not cease promptly, the parties acknowledge that continuing interference may cause irreparable injury and, therefore, Sublandlord shall have the right to bring action to enjoin such interference or to terminate this Sublease immediately upon notice, at Sublandlord's election."

- 22.30 <u>Co-Location</u>. Co-location of facilities is prohibited except with the express written approval of Sublandlord. A "co-located telecommunication facility" means a telecommunication facility comprised of one or more antennas, dishes, or similar devices owned or used by more than one public or private entity. Licenses and Approvals.
- 22.31 <u>Licenses</u>. Subtenant represents and warrants that it has acquired all licenses, permits, and other approvals required under all federal, state, and local laws for the operation of Subtenant's equipment on the Premises. Subtenant shall maintain all such licenses, permits or other approvals throughout the term of this Sublease.

Sublandlord and Subtenant have executed this Addendum to Sublease in triplicate a	s of
the date first written above.	

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GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership

By:	
Name:	Brian Mecum
Title: A	Area Vice President Network

By: Cellco Partnership, Its General Partner

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

Ву:		
	Robert P. Beck	
	Treasure Island Director	

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:

Deputy City Attorney





SUBLEASE No. 956

between

TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP dba Verizon Wireless a California limited partnership

as Subtenant

For the Sublease of a Wireless Communications Cell Site located at 11th Street and Avenue D

Treasure Island Naval Station San Francisco, California

June 1, 2015

TREASURE ISLAND SUBLEASE

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TREASURE ISLAND SUBLEASE

THIS SUBLEASE (the "Sublease"), dated for reference purposes only as of June 1, 2015, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation ("Sublandlord"), and GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

- A. The United States of America, acting by and through the Department of Navy ("Master Landlord") and Sublandlord entered into a lease dated November 19, 1998, as amended from time to time (the "Master Lease"), a copy of which is attached hereto as Exhibit A. Under the Master Lease, the Master Landlord leased to Sublandlord certain real property located on Treasure Island Naval Station (the "Property"), as more particularly described in the Master Lease.
- B. Subtenant desires to sublet from Sublandlord, and Sublandlord is willing to sublet to Subtenant, a portion of the Property on the terms and conditions contained in this Sublease.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. BASIC SUBLEASE INFORMATION

The following is a summary of basic sublease information (the "Basic Sublease Information"). Each item below shall be deemed to incorporate all of the terms of this Sublease pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Sublease, the more specific provision shall control.

Sublease Reference Date:

June 1, 2015

TREASURE ISLAND DEVELOPMENT AUTHORITY, a California public benefit corporation

Subtenant:

GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership

Subleased Premises (Section 2.1):	Cell Site No. 193827 located at the intersection of 11th Street and Avenue D, Treasure Island, San Francisco, CA, as more particularly shown on Exhibit B, attached hereto including the improvements thereon.
Facility:	11th Street and Avenue D, Treasure Island
Term: (Section 4.1):	Commencement date: June 1, 2015 or the first day of the month following the date Verizon commences construction of the facility
	Expiration date: November 30, 2016

Notwithstanding anything in this Sublease to
the contrary, either Sublandlord or Subtenant,
in its sole discretion, may terminate this
Sublease for any reason upon delivery of not
less than thirty (30) days' prior written notice
to the other party.

Base Rent (Section 5.1):	Four Thousand Dollars (\$4,000.00) per month
Rent Adjustment Date(s) (Section 5.2):	Not applicable

Rent Increase Percentage (Section 5.2):	Not applicable
Use (Section 7.1):	The Premises shall be used for installation and

maintenance of the cellular communications
site commonly known as Cell Site No. 193827
and for no other purpose.

Repair Amount (Section 13.1):	Ten Thousand Dollars (\$10,000.00)
Security Deposit (Section 19.3):	Eight Thousand Dollars (\$8,000.00)

Notice Address of Sublandlord (Section 21.1):

Treasure Island Development Authority
Treasure Island Project Office
One Avenue of Palms
Building 1, 2nd Floor
Treasure Island
San Francisco, CA 94130
Attn: Robert P. Beck
Treasure Island Director
Fax No.: 415-274-0299

with a copy to:

Office of the City Attorney City Hall, Room 234 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 Attn: Charles Sullivan Fax No.: (415) 554-4755

Notice Address of Subtenant (Section 21.1):

GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless 180 Washington Valley Road Bedminster, NJ 07921

Attn: For rent or other administrative matters:

Telephone No. (866) 862-4404 Fax No. N/A Email. N/A

Notice Address of Master Landlord (Section 21.1):

Department of The Navy
Base Realignment and Closure
Program Management Office West
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310
Fax #: (619) 532-9858

2. PREMISES

2.1. <u>Subleased Premises</u>. Subject to the terms, covenants and conditions of this Sublease, Sublandlord subleases to Subtenant the Premises. Subtenant shall have the non-exclusive right to use, together with other subtenants in the Facility, the lobbies, corridors, elevators, stairways and other public areas of the Facility and the Property (collectively, the "Common Areas"), and the non-exclusive right of access to and from the Premises by the main entrances to the Facility

and the Property.

In the event Subtenant uses or occupies space outside the Premises without the prior written consent of Sublandlord (the "Encroachment Area"), then upon written notice from Sublandlord ("Notice to Vacate"), Subtenant shall immediately vacate such Encroachment Area and pay as additional rent for each day Subtenant used, occupied, uses or occupies such Encroachment Area, an amount equal to the rentable square footage of the Encroachment Area. multiplied by the higher of the (a) highest rental rate then approved by Sublandlord's Board of Directors for the Premises or the Facility, or (b) then current fair market rent for such Encroachment Area, as reasonably determined by Sublandlord (the "Encroachment Area Charge"). If Subtenant uses or occupies such Encroachment Area for a fractional month, then the Encroachment Area Charge for such period shall be prorated based on a thirty (30) day month. In no event shall acceptance by Sublandlord of the Encroachment Area Charge be deemed a consent by Sublandlord to the use or occupancy of the Encroachment Area by Subtenant or a waiver (or be deemed as waiver) by Sublandlord of any and all other rights and remedies of Sublandlord under this Sublease (including Subtenant's obligation to indemnify, defend and hold Sublandlord harmless as set forth in the last paragraph of this Section 2.1), at law or in equity.

In addition to the foregoing amount, Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Two Hundred Dollars (\$200.00) upon delivery of the initial Notice to Vacate plus the actual cost associated with a survey of the Encroachment Area. In the event Sublandlord determines during subsequent inspection(s) that Subtenant has failed to vacate the Encroachment Area, then Subtenant shall pay to Sublandlord, as additional rent, an amount equaling Three Hundred Dollars (\$300.00) for each additional Notice to Vacate, if applicable, delivered by Sublandlord to Subtenant following each inspection. The parties agree that the charges associated with each inspection of the Encroachment Area, delivery of each Notice to Vacate and survey of the Encroachment Area represent a fair and reasonable estimate of the administrative cost and expense which Sublandlord will incur by reason of Sublandlord's inspection of the Premises, issuance of each Notice to Vacate and survey of the Encroachment Area. Subtenant's failure to comply with the applicable Notice to Vacate and Sublandlord's right to impose the foregoing charges shall be in addition to and not in lieu of any and all other rights and remedies of Sublandlord under this Sublease, at law or in equity. The amounts set forth in this Section 2.1 shall be due within three (3) business days following the applicable Notice to Vacate and/or separate invoice relating to the actual cost associated with a survey of the Encroachment Area.

In addition to the rights and remedies of Sublandlord as set forth in the immediately foregoing two paragraphs of this Section 2.1, the terms and conditions of the indemnity and exculpation provision set forth in Section 16 below shall also apply to Subtenant's use and occupancy of the Encroachment Area as if the Premises originally included the Encroachment Area, and Subtenant shall additionally indemnify, defend and hold Sublandlord harmless from and against any and all loss or liability resulting from delay by Subtenant in so surrendering the Encroachment Area including, without limitation, any loss or liability resulting from any claims

against Sublandlord made by any tenant or prospective tenant founded on or resulting from such delay and losses to Sublandlord due to lost opportunities to lease any portion of the Encroachment Area to any such tenant or prospective tenant, together with, in each case, actual attorneys' fees and costs.

By placing their initials below, each party specifically confirms the accuracy of the statements made in this Section 2.1 and the reasonableness of the amount of the charges described in this Section 2.1.

Initials: ______ Sublandlord ______ Subtenant

2.2. As Is Condition of Premises.

- (a) Inspection of Premises. Subtenant represents and warrants that Subtenant has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them ("Subtenant's Agents"), of the Premises and the suitability of the Premises for Subtenant's intended use. Subtenant is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses. As part of its inspection of the Premises, Subtenant acknowledges its receipt and review of the Seismic Report referenced in Section 2.2(e) below and the Joint Inspection Report referenced in Section 6 of the Master Lease.
- As Is; Disclaimer of Representations. Subtenant acknowledges and agrees that the Premises are being subleased and accepted in their "AS IS, WITH ALL FAULTS" condition. without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties, including without limitation the orders and citations of any regulatory authority with jurisdiction over life and safety issues concerning the Premises governing the use, occupancy, management, operation and possession of the Premises ("Laws"). Without limiting the foregoing, this Sublease is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Subtenant acknowledges and agrees that neither Sublandlord, the City and County of San Francisco ("City"), nor any of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees or contractors, or their respective heirs, legal representatives, successors and assigns ("Sublandlord's Agents") have made, and Sublandlord hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, including, without limitation, the matters described in the Seismic Report (as defined below), (iii) the quality, nature or adequacy of any utilities serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the

Premises if required for Subtenant's use and permitted under this Sublease, (v) the safety of the Premises, whether for the use by Subtenant or any other person, including Subtenant's Agents or Subtenant's clients, customers, vendors, invitees, guests, members, licensees, assignees or subtenants ("Subtenant's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

(c) Seismic Report. Without limiting Section 2.2(b) above, Subtenant expressly acknowledges for itself and Subtenant's Agents that it received and read that certain report dated August 1995, entitled "Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions," prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Subtenant has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils of the Property and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that any structures or improvements located on or about the Premises, may fail structurally and collapse.

3. COMPLIANCE WITH MASTER LEASE

- 3.1. <u>Incorporation by Reference</u>. All of the terms and conditions of the Master Lease are hereby incorporated by reference into this Sublease as if fully set forth herein.
- 3.2. <u>Performance of Master Landlord's Obligations</u>. Sublandlord does not assume the obligations of Master Landlord under the Master Lease. With respect to work, services, repairs, restoration, the provision of utilities or HVAC services, or the performance of any other obligations required of Master Landlord under the Master Lease, Sublandlord's sole obligation with respect thereto shall be to request the same, on request in writing by Subtenant, and to use reasonable efforts to obtain the same from Master Landlord. Subtenant shall cooperate with Sublandlord as may be required to obtain from Master Landlord any such work, services, repairs, repainting, restoration, the provision of utilities or HVAC services, or the performance of any of Master Landlord's obligations under the Master Lease.
- 3.3. <u>Conflict</u>. If any of the provisions of this Sublease conflict with any portion of the Master Lease as incorporated herein, then the terms of the Master Lease shall govern.
- 3.4. Compliance with Master Lease. Subtenant shall not do or permit to be done anything which would constitute a violation or a breach of any of the terms, conditions or provisions of the Master Lease or which would cause the Master Lease to be terminated or forfeited by virtue of any rights of termination reserved by or vested in the Master Landlord.

4. TERM

- 4.1. <u>Term of Sublease</u>. The term of this Sublease (the "Term") shall commence on the Commencement Date set forth in the Basic Sublease Information, and expire on the Expiration Date set forth in the Basic Sublease Information, unless sooner terminated pursuant to the terms of this Sublease.
- 4.2. Effective Date. This Sublease shall become effective on the date (the "Effective Date") upon the later of (i) the Parties' execution and delivery of this Sublease, (ii) Sublandlord's Board of Director's approval of this Sublease at a duly noticed meeting, if such approval is required, or (iii) the Commencement Date.
- 4.3. <u>Automatic Termination</u>. If the Master Lease terminates in whole or in part affecting these Premises for any reason whatsoever, this Sublease shall automatically terminate and the Parties shall thereafter be relieved from all liabilities and obligations under this Sublease, except for liabilities and obligations which expressly survive termination of this Sublease. Subtenant acknowledges and agrees that it has reviewed the Master Lease, is aware of the circumstances upon which the Master Lease may be terminated and hereby assumes all risks associated with the automatic termination of this Sublease because of the termination of the Master Lease.
- **4.4. Termination**. As set forth in the Basic Sublease Information (Term), either Sublandlord or Subtenant, each in their sole discretion, may terminate this Sublease for any reason without liability or expense upon delivery of not less than thirty (30) days' prior written notice to the other party. Subtenant agrees and shall be required to surrender possession of the Premises by the end of such thirty (30) day period.
- 4.5. No Relocation Assistance; Waiver of Claims. Subtenant acknowledges that Subtenant has previously been informed that the Property subject to this Sublease is part of an area that is proposed for redevelopment and that this Sublease may be terminated by Sublandlord or Subtenant may be required to move from the Property to accommodate the redevelopment project. Subtenant acknowledges that, if this Sublease is terminated or Subtenant is asked to move, it will not be a displaced person as that term is defined under the California Government Code Section 7260 et seq. ("California Relocation Act") and the Uniform Relocation Assistance and Real Property Policies Act, 42 U.S. C. 4601 et seq. ("URA"), and that Subtenant will not be entitled to any relocation benefits provided under the California Relocation Act and the URA, including any moving expenses, reimbursement for costs associated with increased rent, loss of goodwill or other costs related to the termination of Subtenant's Lease and Subtenant's relocation from the Premises. Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims against, and covenants not to sue, Sublandlord, its departments, commissions, officers, directors and employees, agents, contractors and successors and assigns and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from Sublandlord under federal and state relocation assistance laws (including, but not limited to, California Government Code Section

7260, et seq., and the Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. 4601, et seq.).

Initials:	Subtenan

5. RENT

- 5.1. Base Rent. Throughout the Term, beginning on the Commencement Date, Subtenant shall pay to Sublandlord Base Rent in the amount set forth in the Basic Sublease Information. Base Rent shall be paid to Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 21.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall be prorated based on a thirty (30) day month.
- 5.2. Adjustments in Base Rent. If this Sublease has not been terminated, then on each Rent Adjustment Date set forth in the Basic Sublease Information, the Base Rent shall be increased by the Rent Increase Percentage set forth in the Basic Lease Information.
- 5.3. <u>Additional Charges</u>. In addition to Base Rent, Subtenant shall pay all other charges related to the Premises otherwise payable by Subtenant to Sublandlord hereunder, including, without limitation, all late charges and default interest attributable to late payments and/or defaults of Subtenant hereunder, all utility charges, and any amounts other than Base Rent that shall become due and payable by Subtenant under this Sublease (together, the "Additional Charges"). Together, Base Rent and Additional Charges shall hereinafter be referred to as the "Rent".
- 5.4. Late Charge. If Subtenant fails to pay any Rent within ten (10) days after the date the same is due and payable, such unpaid amount will be subject to a late payment charge equal to six percent (6%) of the unpaid amount in each instance. The late payment charge has been agreed upon by Sublandlord and Subtenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that Sublandlord will incur as a result of any such failure by Subtenant, the actual costs thereof being extremely difficult if not impossible to determine. The late payment charge constitutes liquidated damages to compensate Sublandlord for its damages resulting from such failure to pay and Subtenant shall promptly pay such charge to Sublandlord together with such unpaid amount.
- 5.5. <u>Default Interest</u>. If any Rent is not paid within ten (10) days following the due date, such unpaid amount shall bear interest from the due date until paid at the rate of ten percent (10%) per year. However, interest shall not be payable on late charges incurred by Subtenant nor on any amounts on which late charges are paid by Subtenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge.

Payment of interest shall not excuse or cure any default by Subtenant.

6. TAXES, ASSESSMENTS AND OTHER EXPENSES

6.1. Taxes and Assessments, Licenses, Permit Fees and Liens.

- (a) Payment Responsibility. Subtenant shall pay any and all real and personal property taxes, including, but not limited to, possessory interest taxes, general and special assessments, excises, licenses, permit fees and other charges and impositions of every description levied on or assessed against the Premises, any Alterations, Subtenant's Personal Property, or Subtenant's use of the Premises or any Alterations during the Term. Subtenant shall make all such payments directly to the charging authority when due and payable and at least ten (10) days prior to delinquency. However, with respect to real property taxes and assessments levied on or assessed against the Premises for which Sublandlord receives the tax bill directly from the taxing authority, Subtenant shall reimburse Sublandlord for payment of such sums immediately upon demand.
- (b) <u>Taxability of Possessory Interest</u>. Without limiting the foregoing, Subtenant recognizes and agrees that this Sublease may create a possessory interest subject to property taxation and that Subtenant may be subject to the payment of property taxes levied on such interest.
- (c) <u>No Liens</u>. Subtenant shall not allow or suffer a lien for any taxes payable by Subtenant hereunder to be imposed upon the Premises or upon any equipment or other property located thereon without discharging the same as soon as practicable, and in no event subsequent to delinquency.
- (d) <u>Reporting Information</u>. Subtenant agrees to provide such information as Sublandlord may request to enable Sublandlord to comply with any possessory interest tax reporting requirements applicable to this Sublease.
- 6.2. <u>Evidence of Payment</u>. Subtenant shall, upon Sublandlord's request, furnish to Sublandlord within ten (10) days after the date when any charges are due and payable, official receipts of the appropriate taxing authority or other evidence reasonably satisfactory to Sublandlord, evidencing payment thereof.

7. USE; COVENANTS TO PROTECT PREMISES

- 7.1. <u>Subtenant's Permitted Use</u>. Subtenant may use the Premises for the Permitted Use set forth in the Basic Sublease Information, but for no other purpose without the prior written consent of Sublandlord, which consent may be given or withheld in Sublandlord's sole and absolute discretion.
- 7.2. <u>Subtenant's Access to the Premises</u>. As provided in Section 30 of the Master Lease, Subtenant shall have access to the Premises on a twenty four (24) hours per day, seven (7) days

per week basis; provided, however, Subtenant shall coordinate such access with the local representative of Master Landlord.

- 7.3. <u>Rules and Regulations</u>. Subtenant agrees to adhere to all rules and regulations regarding the Premises attached hereto as <u>Exhibit D</u>, and any additional rules regarding security, ingress, egress, safety and sanitation applicable to the Premises or the Property, as such rules and regulations may be prescribed by Master Landlord or Sublandlord from time to time.
- Easements. This Sublease shall be subject to all outstanding easements and rights-ofway for location of any type of facility over, across, in, and upon the Premises or any portion thereof, and to the right of Master Landlord to grant such additional easements and rights-of-way over, across, in and upon the Premises as Master Landlord shall determine to be in the public interest ("Additional Easements"); provided that, as provided in Section 29 of the Master Lease, Master Landlord shall use its best efforts to minimize any interference with Subtenant's operations hereunder caused by the granting of any such Additional Easements and the granting of such Additional Easements shall be conditioned on the assumption by the grantee thereof of liability to Subtenant for such damages as Subtenant shall suffer for property destroyed or property rendered unusable on account of the grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such Additional Easements as are presently outstanding or which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair or replacement of facilities located thereon, and to any federal, state or local official engaged in the official inspection thereof, such reasonable rights of ingress and egress over the Premises as shall be necessary for the performance of their duties with regard to such facilities.
- 7.5. No Interference with Navy Operations. Subtenant shall not conduct operations, nor make any Alterations (as defined below), that would interfere with or otherwise restrict Master Landlord's operations or environmental clean-up or restoration actions by the Master Landlord, Sublandlord, the Environmental Protection Agency, the State of California or their contractors. Environmental clean-up, restoration or testing activities by these Parties shall take priority over Subtenant's use of the Premises in the event of any conflict; provided, however, in such event, Master Landlord and Sublandlord shall use their best efforts to minimize any disruption of Subtenant's operation.
- 7.6. No Unlawful Uses, Nuisances or Waste. Without limiting the foregoing, Subtenant shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Subtenant shall eliminate any nuisances or hazards relating to its activities on or about the Premises. Subtenant shall not conduct any business, place any sales display, or advertise in any manner in areas bn or about the Property outside of the Premises.

8. ALTERATIONS

8.1. Alterations. Subtenant shall not construct, install, make or permit to be made any

alterations, installations or additions ("Alterations") in, to or about the Premises, without Sublandlord's prior written consent in each instance, which consent may given or withheld in Sublandlord's sole and absolute discretion. Subject to Sublandlord's consent as provided above, any Alterations shall be done at Subtenant's sole expense (i) in strict accordance with plans and specifications approved in advance by Sublandlord in writing, (ii) by duly licensed and bonded contractors or mechanics approved by Sublandlord, (iii) in a good and professional manner, (iv) in strict compliance with all Laws, and (v) subject to all other conditions that Sublandlord may reasonably impose. In no event shall the construction, installation or the making of any Alterations impair the use or operation of the Property, or any portion thereof, or Sublandlord's or Master Landlord's access thereto. Prior to the commencement of any work on the Premises to construct any Alterations, Subtenant, at its sole expense, shall procure all required permits and approvals and shall promptly upon receipt deliver copies of all such documents to Sublandlord. No material change from the plans and specifications for any Alterations approved by Sublandlord may be made without Sublandlord's prior consent. Sublandlord and Sublandlord's Agents shall have the right to inspect the course of construction on the Premises at all times.

- (a) Asbestos-Containing Materials. Without limiting Section 25.2 (No Hazardous Materials) below, in the event that asbestos-containing materials ("ACM") are determined to exist in or about the Premises, Subtenant shall ensure that all Alterations and any asbestos related work, as defined in California Health & Safety Code Section 25914.1(b), is performed in compliance with all laws relating to asbestos, including but not limited to California Occupational Safety and Health (OSHA) regulations found in Title 8 of the California Code of Regulations, Sections 1502 and 1529. Additionally, Subtenant shall distribute notifications to all employees and contractors as required pursuant to California Health & Safety Code Section 25915 et seq. informing them of the existence of ACM and that moving, drilling, boring, or otherwise disturbing ACM may present a health risk and should not be attempted by an unqualified employee. No Alterations affecting ACM-containing areas or any asbestos related work shall be performed without Sublandlord's prior written consent in each instance.
- (collectively, "Laws"), including, without limitation, the California and United States
 Occupational Health and Safety Acts and their implementing regulations, when the work of improvement or removal of exterior lead-based or presumed lead-based paint, shall not use or removal of service of any disturbence or removal of service or or other similar body, any directive or occupancy certificate issued pursuant to any law by any public officer or officers acting in their regulatory capacity (collectively, "Laws"), including, without limitation, the California and United States
 Occupational Health and Safety Acts and their implementing regulations, when the work of improvement or alteration disturbs or removes exterior lead-based or "presumed" lead-based paint (as defined below). Subtenant shall give to Sublandlord three (3) business days prior written notice of any disturbance or removal of exterior lead-based or presumed lead-based paint, shall not use or cause to be used any of the following methods: (a) acetylene or propane burning and torching; (b) scraping, sanding or grinding without containment barriers or a High Efficiency Particulate Air filter ("HEPA") local vacuum exhaust tool; (c) hydroblasting or high

pressure wash without containment barriers; (d) abrasive blasting or sandblasting without containment barriers or a HEPA vacuum exhaust tool; and (e) heat guns operating above 1,100 degrees Fahrenheit. Paint on the exterior of buildings built before December 31, 1978, is presumed to be lead-based paint unless lead-based paint testing, as defined in Section 3407 of the San Francisco Building Code, demonstrates an absence of lead-based paint on the exterior surfaces of such buildings. Under this Section, lead based paint is "disturbed or removed" if the work of improvement or alteration involves any action that creates friction, pressure, heat or a chemical reaction upon any lead-based or presumed lead-based paint on an exterior surface so as to abrade, loosen, penetrate, cut through or eliminate paint from that surface. Notice to Sublandlord under this sublease shall not constitute notice to the City's Department of Building Inspection required under Section 3407 of the San Francisco Building Code.

- 8.2. <u>Historic Properties</u>. Without limiting the generality of the foregoing, Subtenant acknowledges and agrees that, pursuant to Section 15 of the Master Lease, no Alterations may be made to any improvements on the Premises (i) which will affect the historic characteristics of the improvements or modify the appearance of the exterior of the improvements without Master Landlord's and Sublandlord's prior written consent, or (ii) if such Alterations would preclude qualifying the improvements for inclusion on the National Register for Historic Places.
- 8.3. Ownership of Alterations. Any Alterations constructed on or affixed to the Premises by or on behalf of Subtenant pursuant to the terms and limitations of this Section 8 shall be and remain Subtenant's property during the Term. Upon the termination of this Sublease, Subtenant shall remove all such Alterations from the Premises in accordance with the provisions of Section 19 hereof, unless Sublandlord, at its sole option and without limiting any of the provisions of Section 8.1 above, requires that such Alterations remain on the Premises following the expiration or termination of this Sublease.
- 8.4. <u>Subtenant's Personal Property</u>. All furniture, furnishings and articles of movable personal property and equipment used upon or installed in the Premises by or for the account of Subtenant that can be removed without structural or other material damage to the Premises (all of which are herein called "Subtenant's Personal Property") shall be and remain the property of Subtenant and shall be removed by Subtenant, subject to the provisions of <u>Section 19</u> hereof. Subtenant shall be solely responsible for providing any security or other protection of or maintenance to Subtenant's Personal Property.
- 8.5. <u>Sublandlord's Alterations</u>. Sublandlord reserves the right at any time to make alterations, additions, repairs, deletions or improvements to the common areas or any other part of the improvements on the Premises; provided, that any such alterations or additions shall not materially adversely affect the functional utilization of the Premises for the purposes stated herein.

9. REPAIRS AND MAINTENANCE

- 9.1. Subtenant Responsible for Maintenance and Repair. Subtenant assumes full and sole responsibility for the condition, operation, repair and maintenance and management of the Premises from and after the Commencement Date and shall keep the Premises in good condition and repair. Sublandlord shall not be responsible for the performance of any repairs, changes or alterations to the Premises, nor shall Sublandlord be liable for any portion of the cost thereof. Subtenant shall make all repairs and replacements, interior and exterior, structural as well as non-structural, ordinary as well as extraordinary, foreseen and unforeseen, which may be necessary to maintain the Premises at all times in a clean, safe, attractive and sanitary condition and in good order and repair, to Sublandlord's and Master Landlord's reasonable satisfaction, provided, however, that neither Subtenant nor Sublandlord shall be required to make structural repairs or Alterations to correct conditions affecting the Premises existing prior to the Commencement Date. If any portion of the Premises is damaged by any activities conducted by Subtenant or Subtenant's Agents or Subtenant's Invitees hereunder, Subtenant shall immediately, at its sole cost, repair all such damage and restore the Premises to its previous condition.
- 9.2. <u>Utilities</u>. Sublandlord shall provide the basic utilities and services described in the attached <u>Exhibit E</u> (the "Standard Utilities and Services") to the Premises, subject to the terms and conditions contained therein. Subtenant shall be responsible for furnishing, at its sole cost, any utilities or services other than or in excess of the Standard Utilities and Services that Subtenant may need for its use of the Premises. Subtenant shall pay, without set off or counterclaim, all amounts due and owing for such Standard Utilities and Services at the rates provided in and as otherwise set forth in <u>Exhibit E</u>.
- **9.3.** <u>Landscaping.</u> Sublandlord shall maintain the exterior landscaping of the Premises in good condition and repair.
- 9.4. <u>Janitorial Services</u>. Subtenant shall provide all janitorial services for the Premises.
- **9.5.** Pest Control. Subtenant shall provide and pay for all pest control services required within the Premises, and shall keep the Premises free of all pests at all times.
- 9.6. <u>Trash</u>. Subtenant shall deposit all trash into designated containers in the Premises in compliance with the Rules and Regulations attached hereto as <u>Exhibit D</u>. Subtenant shall pay for the removal of trash from the designated containers. Subtenant shall abide by all rules established by Sublandlord or Master Landlord for the handling of trash.
- 9.7. No Right to Repair and Deduct. Subtenant expressly waives the benefit of any existing or future Laws or judicial or administrative decision that would otherwise permit Subtenant to make repairs or replacements at Sublandlord's expense, or to terminate this Sublease because of Sublandlord's failure to keep the Premises or any part thereof in good order, condition or repair, or to abate or reduce any of Subtenant's obligations hereunder on account of the Premises or any part thereof being in need of repair or replacement. Without limiting the foregoing, Subtenant

expressly waives the provisions of California Civil Code Sections 1932, 1941 and 1942 or any similar Laws with respect to any right of Subtenant to terminate this Sublease and with respect to any obligations of Sublandlord hereunder or any right of Subtenant to make repairs or replacements and deduct the cost thereof from Rent.

10. LIENS

10.1. Liens. Subtenant shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by or for Subtenant. In the event Subtenant does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, Sublandlord shall have in addition to all other remedies provided herein and by law or equity the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by Sublandlord and all expenses it incurs in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to Sublandlord by Subtenant upon demand. Sublandlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law or that Sublandlord deems proper for its protection and protection of the Premises from mechanics' and materialmen's liens. Subtenant shall give Sublandlord at least fifteen (15) days' prior written notice of the commencement of any repair or construction on any of the Premises

11. COMPLIANCE WITH LAWS

11.1. Compliance with Laws. Subtenant shall promptly, at its sole expense, maintain the Premises and Subtenant's use and operations thereon in strict compliance at all times with all present and future Laws, whether foreseen or unforeseen, ordinary as well as extraordinary; provided, however Subtenant shall not be required to make repairs or structural changes to the Premises required solely to correct conditions affecting the Premises existing prior to the Commencement Date or not related to Subtenant's use of the Premises, unless the requirement for such changes is imposed as a result of any Alterations made or requested to be made by Subtenant. Such Laws shall include, without limitation, all Laws relating to health and safety and disabled accessibility including, without limitation, the Americans with Disabilities Act, 42 U.S.C. §§ 12101 et seq. and Title 24 of the California Code of Regulations, all present and future Environmental Laws (as defined in this Sublease below), and all applicable provisions of the San Francisco Environment Code. No occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, and however extraordinary, shall give Subtenant any right to seek redress against Sublandlord for failing to comply with any Laws. Subtenant waives any rights now or hereafter conferred upon it by any existing or future Law to compel Sublandlord to make any repairs to comply with any such Laws, on account of any such occurrence or situation.

11.2. Regulatory Approvals: Responsible Party.

Subtenant understands and agrees that Subtenant's use of the Premises and construction of any Alterations permitted hereunder may require authorizations, approvals or permits from governmental regulatory agencies with jurisdiction over the Premises. Subtenant shall be solely responsible for obtaining any and all such regulatory approvals, including without limitation, any liquor permits or approvals. Subtenant shall not seek any regulatory approval without first obtaining the written consent of Sublandlord. Subtenant shall bear all costs associated with applying for, obtaining and maintaining any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval. Any fines or penalties levied as a result of Subtenant's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Subtenant, and Sublandlord shall have no liability, monetary or otherwise, for any such fines or penalties. Subtenant shall indemnify, protect, defend and hold harmless forever ("Indemnify") Sublandlord, City and Master Landlord, including, but not limited to, all of their respective officers, directors, employees, agents, affiliates, subsidiaries, licensees, contractors, boards, commissions, departments, agencies and other subdivisions and each of the persons acting by, through or under each of them, and their respective heirs, legal representatives, successors and assigns, and each of them (the "Indemnified Parties"), against any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses") arising in connection with Subtenant's failure to obtain or comply with the terms and conditions of any regulatory approval.

11.3. Compliance with Sublandlord's Risk Management Requirements. Subtenant shall not do anything, or permit anything to be done, in or about the Premises or to any Alterations permitted hereunder that would create any unusual fire risk, and shall take commercially reasonable steps to protect Sublandlord from any potential premises liability. Subtenant shall faithfully observe, at its expense, any and all reasonable requirements of Sublandlord's Risk Manager with respect thereto and with the requirements of any policies of commercial general liability, all risk property or other policies of insurance at any time in force with respect to the Premises and any Alterations as required hereunder.

12. ENCUMBRANCES

Notwithstanding anything to the contrary contained in this Sublease, Subtenant shall not under any circumstances whatsoever create any mortgage, deed of trust, assignment of rents, fixture filing, security agreement, or similar security instrument, or other lien or encumbrance or assignment or pledge of an asset as security in any manner against the Premises or Sublandlord's or Subtenant's interest under this Sublease.

13. DAMAGE OR DESTRUCTION

13.1. Damage or Destruction to the Premises. In the case of damage to or destruction of the

Premises by earthquake, fire, flood or any other casualty, which (i) is not eaused by Subtenant or Subtenant's Agents or Subtenant's Invitees, (ii) is not covered by the insurance described in Section 17 below, (ii) prevents Subtenant from operating the Premises for the purposes stated herein, and (iv) costs more to repair than the Repair amount set forth in the Basic Lease Information, either party may terminate this Sublease upon thirty (30) days prior written notice and upon any such termination Subtenant shall surrender the Premises in accordance with Section 19 (except for damage caused by a casualty pursuant to which this Sublease may be terminated under this Section 13.1) and both Parties shall be relieved of any liability for such termination or for repairing such damage. If neither Party terminates this Sublease as provided in this Section 13.1, then Subtenant shall, at its sole cost, promptly restore, repair, replace or rebuild the Premises to the condition the Premises were in prior to such damage or destruction, subject to any Alterations made in strict accordance with the requirements of Section 8.1 above. Under no circumstances shall Sublandlord have any obligation to repair, replace or rebuild the Premises in the event of a casualty.

- 13.2. No Abatement in Rent. In the event of any damage or destruction to the Premises, and if neither party terminates this Sublease as provided in <u>Section 13.1</u> above, there shall be no abatement in the Rent payable hereunder.
- 13.3. Waiver. The Parties understand and agree that the foregoing provisions of this Section are intended to govern fully the rights and obligations of the Parties in the event of damage or destruction to the Premises or Alterations, and Sublandlord and Subtenant each hereby waives and releases any right to terminate this Sublease in whole or in part under Sections 1932.2 and 1933.4 of the Civil Code of California or under any similar Laws now or hereafter in effect, to the extent such rights are inconsistent with the provisions hereof.

14. ASSIGNMENT AND SUBLETTING

- 14.1. Restriction on Assignment and Subletting. Subtenant shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Subtenant), voluntarily or by operation of Law, sell, assign, encumber, pledge, sublease or otherwise transfer any part of its interest in or rights with respect to the Premises, any Alterations or its interest in this Sublease, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet any portion of the Premises (a "Transfer"), without Sublandlord's prior written consent in each instance, which Sublandlord may grant or withhold in its sole and absolute discretion. Subtenant shall provide Sublandlord with a written notice of its intention to Transfer this Sublease or the Premises, together with a copy of the proposed Transfer agreement at least thirty (30) days prior to the commencement date of the proposed Transfer. Subtenant shall provide Sublandlord with such information regarding the proposed Transfer as Sublandlord may reasonably request.
- 14.2. <u>Bonus Rental</u>. If Sublandlord consents to a Transfer of any of Subtenant's interest in or rights with respect to the Premises pursuant to <u>Section 14.1</u> above, then one hundred percent (100%) of any rent or other consideration payable to Subtenant in excess of the Base Rent

payable hereunder (or the proportionate share thereof applicable to the portion of the Premises that is subject to the Transfer) shall be paid to Sublandlord immediately upon receipt by Subtenant.

15. DEFAULT: REMEDIES

- 15.1. Events of Default. Any of the following shall constitute an event of default ("Event of Default") by Subtenant hereunder:
- (a) <u>Failure to Pav Rent</u>. Any failure to pay any Rent or any other sums due hereunder, including sums due for utilities, within five (5) days after such sums are due;
- (b) <u>Covenants, Conditions and Representations</u>. Any failure to perform or comply with any other covenant, condition or representation made under this Sublease; provided, Subtenant shall have a period of ten (10) days from the date of written notice from Sublandlord of such failure within which to cure such default under this Sublease, or, if such default is not capable of cure within such 10-day period, Subtenant shall have a reasonable period to complete such cure if Subtenant promptly undertakes action to cure such default within such 10-day period and thereafter diligently prosecutes the same to completion and uses its best efforts to complete such cure within sixty (60) days after the receipt of notice of default from Sublandlord;
- (c) <u>Vacation or Abandonment</u>. Any abandonment of the Premises for more than fourteen (14) consecutive days;
- (d) <u>Bankruptey</u>. The appointment of a receiver to take possession of all or substantially all of the assets of Subtenant, or an assignment by Subtenant for the benefit of creditors, or any action taken or suffered by Subtenant under any insolvency, bankruptey, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted; and
- (e) <u>Notices of Default</u>. The delivery to Subtenant of three (3) or more notices of default within any twelve (12) month period, irrespective of whether Subtenant actually cures such default within the specified time period, may, in the sole and absolute discretion of the Authority, be deemed an incurable breach of this Sublease allowing the Authority to immediately terminate this Sublease without further notice or demand to Subtenant.
- 15.2. Remedies. Upon the occurrence of an Event of Default by Subtenant, Sublandlord shall have the following rights and remedies in addition to all other rights and remedies available to Sublandlord at Law or in equity:
- (a) <u>Terminate Sublease and Recover Damages</u>. The rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate Subtenant's right to possession of the Premises and to recover the worth at the time of award of the amount by which the unpaid Rent for the balance of the

Term after the time of award exceeds the amount of rental loss for the same period that Subtenant proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2. Sublandlord's efforts to mitigate the damages caused by Subtenant's breach of this Sublease shall not waive Sublandlord's rights to recover unmitigated damages upon termination.

- (b) <u>Appointment of Receiver</u>. The right to have a receiver appointed for Subtenant upon application by Sublandlord to take possession of the Premises and to apply any rental collected from the Premises and to exercise all other rights and remedies granted to Sublandlord pursuant to this Sublease.
- 15.3. Sublandlord's Right to Cure Subtenant's Defaults. If Subtenant defaults in the performance of any of its obligations under this Sublease, then Sublandlord may at any time thereafter with three (3) days prior written notice (except in the event of an emergency as determined by Sublandlord where prior notice by Sublandlord is impractical), remedy such Event of Default for Subtenant's account and at Subtenant's expense. Subtenant shall pay to Sublandlord, as Additional Charges, promptly upon demand, all sums expended by Sublandlord, or other costs, damages, expenses or liabilities incurred by Sublandlord, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such Event of Default. Subtenant's obligations under this Section shall survive the termination of this Sublease. Nothing herein shall imply any duty of Sublandlord to do any act that Subtenant is obligated to perform under any provision of this Sublease, and Sublandlord's cure or attempted cure of Subtenant's Event of Default shall not constitute a waiver of Subtenant's Event of Default or any rights or remedies of Sublandlord on account of such Event of Default.

16. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

- 16.1. Release and Waiver of Claims. Subtenant, on behalf of itself and Subtenant's Agents, covenants and agrees that the Indemnified Parties shall not be responsible for or liable to Subtenant for, and, to the fullest extent allowed by any Laws, Subtenant hereby waives all rights against the Indemnified Parties and releases them from, any and all Losses, including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the Premises due to an earthquake or subsidence, except only to the extent such Losses are caused solely by the gross negligence or willful misconduct of the Indemnified Parties. Without limiting the generality of the foregoing:
- (a) Subtenant expressly acknowledges and agrees that the Rent payable hereunder does not take into account any potential liability of the Indemnified Parties for any consequential or incidental damages including, but not limited to, lost profits arising out of disruption to Subtenant's uses hereunder. Sublandlord would not be willing to enter into this Sublease in the absence of a complete waiver of liability for consequential or incidental damages due to the acts or omissions of the Indemnified Parties, and Subtenant expressly assumes the risk with respect thereto. Accordingly, without limiting any indemnification obligations of Subtenant or other

waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action for consequential and incidental damages and covenants not to sue the Indemnified Parties for such damages arising out of this Sublease or the uses authorized hereunder, including, without limitation, any interference with uses conducted by Subtenant pursuant to this Sublease regardless of the cause.

- (b) Without limiting any indemnification obligations of Subtenant or other waivers contained in this Sublease and as a material part of the consideration for this Sublease, Subtenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against, and covenants not to sue the Indemnified Parties under any present or future Laws, statutes, or regulations, including, but not limited to, any claim for inverse condemnation or the payment of just compensation under the law of eminent domain, or otherwise at equity, in the event that Sublandlord terminates this Sublease because of such claim for inverse condemnation or eminent domain.
- (c) As part of Subtenant's agreement to accept the Premises in its "As Is" condition as provided herein, and without limiting such agreement and any other waiver contained herein, Subtenant on behalf of itself and its successors and assigns, waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the physical or environmental condition of the Premises and any related improvements or any Laws or regulations applicable thereto or the suitability of the Premises for Subtenant's intended use.
- (d) Subtenant acknowledges that it will not be a displaced person at the time this Sublease is terminated, and Subtenant fully RELEASES, WAIVES AND DISCHARGES the Indemnified Parties from any and all Losses and any and all claims, demands or rights against any of the Indemnified Parties under any present and future Laws, including, without limitation, any and all claims for relocation benefits or assistance from the Indemnified Parties under federal and state relocation assistance laws.
- (e) Without limiting any other waiver contained herein, Subtenant, on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Indemnified Parties from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way connected with the Indemnified Parties' decision to Sublease the Premises to Subtenant, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Indemnified Parties.
- (f) Subtenant covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Indemnified Parties any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this

Section 16.1.

- (g) In executing these waivers and releases, Subtenant has not relied upon any representation or statement other than as expressly set forth herein.
- (h) Subtenant had made such investigation of the facts pertaining to these waivers and releases as it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Subtenant regardless of any claims of mistake.
- (i) In connection with the foregoing releases, Subtenant acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Subtenant acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Subtenant realizes and acknowledges that it has agreed upon this Sublease in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Sublease.

16.2. Subtenant's Indemnity. Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties from and against any and all Losses arising out of Subtenant's use of the Premises, including but not limited to, any Losses arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Subtenant or Subtenant's Agents or Subtenant's Invitees; (b) any accident, injury to or death of a person, including, without limitation, Subtenant's Agents and Subtenant's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises; (c) any default by Subtenant in the observation or performance of any of the terms, covenants or conditions of this Sublease to be observed or performed on Subtenant's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Subtenant, Subtenant's Agents or Subtenant's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) any construction or other work undertaken by Subtenant on or about the Premises; and (f) any acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees, in, on, or about the Premises or any Alterations, except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Sublease and further except only to the extent such Losses are caused solely by the gross negligence or intentional wrongful acts and omissions of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Sublandlord's costs of

investigating any Loss. Subtenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter. Subtenant's obligations under this Section shall survive the expiration or sooner termination of this Sublease.

.17. INSURANCE

- 17.1. <u>Required Insurance Coverage</u>. Subtenant, at its sole cost and expense, shall maintain, or cause to be maintained, through the Term of this Sublease, the following insurance:
- (a) <u>General Liability Insurance</u>. Comprehensive or commercial general liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, Two Million Dollars (\$2,000,000) aggregate for bodily injury and property damage, including coverages for contractual liability, independent contractors, broad form property damage, personal injury, products and completed operations, fire damage and legal liability with limits not less than One Million Dollars (\$1,000,000), explosion, collapse and underground (XCU).
- (b) <u>Automobile Liability Insurance</u>. Comprehensive or business automobile liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including coverages for owned and hired vehicles and for employer's non-ownership liability, which insurance shall be required if any automobiles or any other motor vehicles are operated in connection with Subtenant's activity on the Premises or the Permitted Use.
- (c) <u>Worker's Compensation and Employer's Liability Insurance</u>. If Subtenant has employees, Worker's Compensation Insurance in statutory amounts with Employer's Liability with limits not less than One Million Dollars (\$1,000,000.00) for each accident, injury or illness, on employees eligible for each.
- (d) <u>Personal Property Insurance</u>. Subtenant, at its sole cost and expense, shall procure and maintain on all of its personal property and Alterations, in, on, or about the Premises, property insurance on an all risk form, excluding earthquake and flood, to the extent of full replacement value. The proceeds from any such policy shall be used by Subtenant for the replacement of Subtenant's personal property.
- (e) Other Coverage. Such other insurance or different coverage amounts as is required by law or as is generally required by commercial owners of property similar in size, character, age and location as the Premises, as may change from time to time, or as may be required by the City's Risk Manager.
- 17.2. Claims-Made Policies. If any of the insurance required in Section 17.1 above is provided under a claims-made form of policy, Subtenant shall maintain such coverage

continuously throughout the Term and without lapse for a period of three (3) years beyond the termination of this Sublease, to the effect that should occurrences during the Term give rise to claims made after termination of this Sublease, such claims shall be covered by such claimsmade policies.

- 17.3. <u>Annual Aggregate Limits</u>. If any of the insurance required in Section 17.1 above is provided under a form of coverage which includes an annual aggregate limit or provides that claims investigation or legal defense costs be included in such annual aggregate limit, such annual aggregate limit shall be double the occurrence limits specified herein.
- 17.4. Payment of Premiums. Subtenant shall pay the premiums for maintaining all required insurance.
- 17.5. Waiver of Subrogation Rights. Notwithstanding anything to the contrary contained herein, Sublandlord and Subtenant (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Facility or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party, to the extent such loss or damage is covered by insurance which is required to be purchased by the Waiving Party under this Sublease or is actually covered by insurance obtained by the Waiving Party. Each Waiving Party agrees to cause its insurers to issue appropriate waiver of subrogation rights endorsements to all policies relating to the Facility or the Premises; provided, the failure to obtain any such endorsement shall not affect the above waiver.

17.6. General Insurance Matters.

- (a) All liability insurance policies required to be maintained by Subtenant hereunder shall contain a cross-liability clause, shall name as additional insureds the "THE TREASURE ISLAND DEVELOPMENT AUTHORITY, CITY AND COUNTY OF SAN FRANCISCO, THE UNITED STATES OF AMERICA, ACTING BY AND THROUGH THE DEPARTMENT OF THE NAVY, AND THEIR OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS," shall be primary to any other insurance available to the additional insureds with respect to claims arising under this Sublease, and shall provide that such insurance applies separately to each insured against whom complaint is made or suit is brought except with respect to the limits of the company's liability.
- (b) All insurance policies required to be maintained by Subtenant hereunder shall be issued by an insurance company or companies reasonably acceptable to Sublandlord with an AM Best rating of not less than A-VIII and authorized to do business in the State of California.
- (c) All insurance policies required to be maintained by Subtenant hereunder shall provide for thirty (30) days' prior written notice of cancellation for any reason, intended non-renewal, or reduction in coverage to Subtenant and Sublandlord. Such notice shall be given in accordance with the notice provisions of Section 21.1 below.

- (d) Subtenant shall deliver to Sublandlord certificates of insurance and additional insured policy endorsements in a form satisfactory to Sublandlord evidencing the coverages required herein, together with evidence of payment of premiums, on or before the Commencement Date, and upon renewal of each policy not less than thirty (30) days before expiration of the term of the policy. Subtenant shall, upon Sublandlord's request, promptly furnish Sublandlord with a complete copy of any insurance policy required hereunder.
- (e) Not more often than every year and upon not less than sixty (60) days' prior written notice, Sublandlord may require Subtenant to increase the insurance limits set forth in Section 17.1 above if Sublandlord finds in its reasonable judgment that it is the general commercial practice in San Francisco to carry insurance in amounts substantially greater than those amounts carried by Subtenant with respect to risks comparable to those associated with the use of the Premises.
- (f) Subtenant's compliance with the provisions of this Section shall in no way relieve or decrease Subtenant's indemnification obligations herein or any of Subtenant's other obligations or liabilities under this Sublease.
- (g) Notwithstanding anything to the contrary in this Sublease, Sublandlord may elect in Sublandlord's sole and absolute discretion to terminate this Sublease upon the lapse of any required insurance coverage by written notice to Subtenant.

18. ACCESS BY SUBLANDLORD

18.1. Access to Premises by Sublandlord.

- (a) General Access. Sublandlord reserves for itself and Sublandlord's Agents, the right to enter the Premises and any portion thereof at all reasonable times upon not less than twenty-four (24) hours oral or written notice to Subtenant (except in the event of an emergency) for any purpose.
- (b) Emergency Access. In the event of any emergency, as determined by Sublandlord, Sublandlord may, at its sole option and without notice, enter the Premises and alter or remove any Alterations or Subtenant's Personal Property on or about the Premises. Sublandlord shall have the right to use any and all means Sublandlord considers appropriate to gain access to any portion of the Premises in an emergency. In such case, Sublandlord shall not be responsible for any damage or injury to any such property, nor for the replacement of any such property and any such emergency entry shall not be deemed to be a forcible or unlawful entry onto or a detainer of, the Premises, or an eviction, actual or constructive, of Subtenant from the Premises or any portion thereof.
- (c) No Liability. Sublandlord shall not be liable in any manner, and Subtenant hereby waives any claims, for any inconvenience, disturbance, loss of business, nuisance or other

damage arising out of Sublandlord's entry onto the Premises, except damage resulting directly and exclusively from the gross negligence or willful misconduct of Sublandlord or Sublandlord's Agents and not contributed to by the acts, omissions or negligence of Subtenant, Subtenant's Agents or Subtenant's Invitees.

18.2. Access to Premises by Master Landlord. Subtenant acknowledges and agrees that Master Landlord shall have all of the rights of access to the Premises described in the Master Lease.

19. SURRENDER

- 19.1. Surrender of the Premises. Upon the termination of this Sublease, Subtenant shall surrender to Sublandlord the Premises in the same condition as of the Commencement Date, ordinary wear and tear excepted, and free and clear of all liens, easements and other encumbrances created or suffered by, through or under Subtenant. On or before any termination hereof, Subtenant shall, at its sole cost, remove any and all of Subtenant's Personal Property from the Premises and demolish and remove any and all Alterations from the Premises (except for any Alterations that Sublandlord agrees are to remain part of the Premises pursuant to the provisions of Section 8.3 above). In addition, Subtenant shall, at its sole expense, repair any damage to the Premises resulting from the removal of any such items and restore the Premises to their condition immediately prior to the presence of any Alterations. In connection therewith, Subtenant shall obtain any and all necessary permits and approvals, including, without limitation, any environmental permits, and execute any manifests or other documents necessary to complete the demolition, removal or restoration work required hereunder. Subtenant's obligations under this Section shall survive the termination of this Sublease. Any items of Subtenant's Personal Property remaining on or about the Premises after the termination of this Sublease may, at Sublandlord's option and after thirty (30) days written notice to Subtenant, be deemed abandoned and in such case Sublandlord may dispose of such property in accordance with Section 1980, et seq., of the California Civil Code or in any other manner allowed by Law.
- 19.2. No Holding Over. If Subtenant fails to surrender the Premises to Sublandlord upon the termination of this Sublease as required by this Section, Subtenant shall Indemnify Sublandlord against all Losses resulting therefrom, including, without limitation, Losses made by a succeeding Subtenant resulting from Subtenant's failure to surrender the Premises. Subtenant shall have no right to hold over without the prior written consent of Sublandlord, which consent may be withheld in Sublandlord's sole and absolute discretion. If Sublandlord holds over the Premises or any part thereof after expiration or earlier termination of this Sublease, such holding over shall be terminable upon written notice by Sublandlord, and the Base Rent shall be increased to two hundred percent (200%) of the Base Rent in effect immediately prior to such holding over, and such holdover shall otherwise be on all the other terms and conditions of this Sublease. This Section shall not be construed as Sublandlord's permission for Subtenant to hold over. Acceptance of any holdover Base Rent by Sublandlord following expiration or termination of this Sublease shall not constitute an extension or renewal of this Sublease.

19.3. Security Deposit. Subtenant shall pay to Sublandlord upon execution of this Sublease a security deposit in the amount set forth in the Basic Sublease Information as security for the faithful performance of all terms, covenants and conditions of this Sublease. Subtenant agrees that Sublandlord may (but shall not be required to) apply the security deposit in whole or in part to remedy any damage to the Premises caused by Subtenant, Subtenant's Agents or Subtenant's Invitees, or any failure of Subtenant to perform any other terms, covenants or conditions contained in this Sublease, without waiving any of Sublandlord's other rights and remedies hereunder or at Law or in equity. Should Sublandlord use any portion of the security deposit to cure any Event of Default by Subtenant hereunder, Subtenant shall immediately replenish the security deposit to the original amount, and Subtenant's failure to do so within five (5) days of Sublandlord's notice shall constitute a material Event of Default under this Sublease. Sublandlord's obligations with respect to the security deposit are solely that of debtor and not trustee. Sublandlord shall not be required to keep the security deposit separate from its general funds, and Subtenant shall not be entitled to any interest on such deposit. The amount of the security deposit shall not be deemed to limit Subtenant's liability for the performance of any of its obligations under this Sublease. To the extent that Sublandlord is not entitled to retain or apply the security deposit pursuant to this Section 20.3, Sublandlord shall return such security deposit to Subtenant within forty-five (45) days of the termination of this Sublease.

20. HAZARDOUS MATERIALS

20.1. No Hazardous Materials. Subtenant covenants and agrees that neither Subtenant nor any of Subtenant's Agents or Subtenant's Invitees shall cause or permit any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment, including, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended (42 U.S.C. Sections 9601 et seq.), or pursuant to Section 25281 of the California Health & Safety Code; any "hazardous waste' listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of any existing improvements on the Premises, or are naturally occurring substances on, in or about the Premises; and petroleum, including crude oil or any fraction thereof, and natural gas or natural gas liquids ("Hazardous Material") to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or transported to or from the Premises without the prior written approval of Sublandlord, which approval may be withheld in Sublandlord's sole and absolute discretion. Subtenant shall immediately notify Sublandlord if and when Subtenant learns or has reason to believe there has been any release of Hazardous Material in, on or about the Premises. Sublandlord may from time to time request Subtenant to provide adequate information for Sublandlord to determine that any Hazardous Material permitted hereunder is being handled in compliance with all applicable federal, state or local Laws or policies relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage) or to human health and safety, industrial hygiene or environmental

conditions in, on, under or about the Premises and any other property, including, without limitation, soil, air and groundwater conditions ("Environmental Laws"), and Subtenant shall promptly provide all such information. Sublandlord and Sublandlord's Agents shall have the right to inspect the Premises for Hazardous Material and compliance with the provisions hereof at all reasonable times upon reasonable advance oral or written notice to Subtenant (except in the event of an emergency). Subtenant agrees that it shall comply, without limiting the foregoing, with the provisions of Article 21 of the San Francisco Health Code including, without limitation, regarding obtaining and complying with the requirements of an approved hazardous materials management plan, and with the requirements of the environmental protection provisions provided for in Section 13 of the Master Lease.

20.2. Subtenant's Environmental Indemnity. If Subtenant breaches any of its obligations contained in Section 20.1 above, or, if any act or omission or negligence of Subtenant or any of Subtenant's Agents or Subtenant's Invitees results in any spilling, leaking, pumping, pouring, emitting, discharging, injecting, escaping, leeching or dumping ("Release") of Hazardous Material in, on, under or about the Premises or the Property, without limiting Subtenant's general Indemnity contained in Section 16.2 above, Subtenant, on behalf of itself and Subtenant's Agents, shall Indemnify the Indemnified Parties, and each of them, from and against any and all enforcement, investigation, remediation or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental Laws together with any and all Losses made or threatened by any third party against Sublandlord, Sublandlord's Agents, or the Premises, relating to damage, contribution, cost recovery compensation, loss or injury resulting from the presence, Release or discharge of any Hazardous Materials, including, without limitation, Losses based in common law, investigation and remediation costs, fines, natural resource damages, damages for decrease in value of the Premises, the loss or restriction of the use or any amenity of the Premises and attorneys' fees and consultants' fees and experts' fees and costs ("Hazardous Materials Claims") arising during or after the Term of this Sublease and relating to such Release. The foregoing Indemnity includes, without limitation, all costs associated with the investigation and remediation of Hazardous Material and with the restoration of the Premises or the Property to its prior condition including, without limitation, fines and penalties imposed by regulatory agencies, natural resource damages and losses, and revegetation of the Premises or other Sublandlord property. Without limiting the foregoing, if Subtenant or any of Subtenant's Agents or Subtenant's Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or the Property, Subtenant shall, immediately, at no expense to Sublandlord, take any and all appropriate actions to return the Premises or other Sublandlord property affected thereby to the condition existing prior to such Release and otherwise investigate and remediate the Release in accordance with all Environmental Laws. Subtenant shall provide Sublandlord with written notice of and afford Sublandlord a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, permit, approvals, or other compromise or proceeding involving Hazardous Material.

20.3. Acknowledgment of Receipt of EBS and FOSL Reports. Subtenant hereby acknowledges for itself and Subtenant's Agents that, prior to the execution of this Sublease, it

has received and reviewed the Environmental Baseline Survey ("EBS") and the Finding of Suitability to Lease ("FOSL") described in Section 7 of the Master Lease. California law requires landlords to disclose to tenants the presence or potential presence of certain Hazardous Materials. Accordingly, Subtenant is hereby advised that occupation of the Premises may lead to exposure to Hazardous Materials such as, but not limited to, gasoline, diesel and other vehicle fluids, vehicle exhaust, office maintenance fluids, tobacco smoke, methane and building materials containing chemicals, such as formaldehyde. Further, there are Hazardous Materials located on the Premises as described in the EBS and the FOSL. In addition, California's Proposition 65, Health and Safety Code Section 25249.6 et seq., requires notice that some of these Hazardous Materials are known by the State of California to cause cancer or reproductive harm. By execution of this Sublease, Subtenant acknowledges that the notices and warnings set forth above satisfy the requirements of California Health and Safety Code Sections 25249.6 et seq., 25359.7 and related statutes.

21. GENERAL PROVISIONS

- 21.1. Notices. Except as otherwise expressly provided in this Sublease, any notice given hereunder shall be effective only in writing and given by delivering the notice in person, or by sending it first class mail or certified mail with a return receipt requested or reliable commercial overnight courier, return receipt requested, with postage prepaid, to the appropriate addresses set forth in the Basic Sublease Information. Any Party hereunder may designate a new addresse for notice purposes hereunder at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made, if sent by commercial overnight carrier, or upon the date personal delivery is made, and any refusal by either Party to accept the attempted delivery of any notice, if such attempted delivery is in compliance with this Section 21.1 and applicable Laws, shall be deemed receipt of such notice.
- 21.2. No Implied Waiver. No failure by Sublandlord to insist upon the strict performance of any obligation of Subtenant under this Sublease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial payment of Rent due hereunder during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of Sublandlord, shall constitute a waiver of such breach or of Sublandlord's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Sublease. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. The consent of Sublandlord given in any instance under the terms of this Sublease shall not relieve Subtenant of any obligation to secure the consent of Sublandlord in any other or future instance under the terms of this Sublease

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- 21.3. <u>Amendments.</u> Neither this Sublease nor any term or provision hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the Parties hereto.
- 21.4. <u>Authority</u>. If Subtenant signs as a corporation, a partnership or a limited liability company, each of the persons executing this Sublease on behalf of Subtenant does hereby covenant and warrant that Subtenant is a duly authorized and existing entity, that Subtenant has and is qualified to do business in California, that Subtenant has full right and authority to enter into this Sublease, and that each and all of the persons signing on behalf of Subtenant are authorized to do so. Upon Sublandlord's request, Subtenant shall provide Sublandlord with evidence reasonably satisfactory to Sublandlord confirming the foregoing representations and warranties. Without limiting the generality of the foregoing, Subtenant represents and warrants that it has full power to make the waivers and releases, indemnities and the disclosures set forth herein, and that it has received independent legal advice from its attorney as to the advisability of entering into a sublease containing those provisions and their legal effect.
- 21.5. <u>Joint and Several Obligations</u>. The word "Subtenant" as used herein shall include the plural as well as the singular. If there is more than one Subtenant, the obligations and liabilities under this Sublease imposed on Subtenant shall be joint and several.
- 21.6. Interpretation of Sublease. The captions preceding the articles and sections of this Sublease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Sublease. This Sublease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the Parties, without any presumption against the party responsible for drafting any part of this Sublease. Provisions in this Sublease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or Sublandlord holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Sublease. whether or not language of non-limitation, such as "without limitation" or similar words, are used. Unless otherwise provided herein, whenever the consent of Sublandlord is required to be obtained by Subtenant hereunder, Sublandlord may give or withhold such consent in its sole and absolute discretion.
- 21.7. Successors and Assigns. Subject to the provisions of Section 14, the terms, covenants and conditions contained in this Sublease shall bind and inure to the benefit of Sublandlord and Subtenant and, except as otherwise provided herein, their personal representatives and successors and assigns; provided, however, that upon any transfer by Sublandlord (or by any subsequent Sublandlord) of its interest in the Premises as lessee, including any transfer by operation of Law, Sublandlord (or any subsequent Sublandlord) shall be relieved from all subsequent obligations and liabilities arising under this Sublease subsequent to such transfer.

- 21.8. <u>Brokers</u>. Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the Sublease contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Losses incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Sublease.
- 21.9. Severability. If any provision of this Sublease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Sublease shall be valid and be enforceable to the fullest extent permitted by Law.
- 21.10. Governing Law. This Sublease shall be construed and enforced in accordance with the Laws of the State of California and the federal government.
- 21.11. Entire Agreement. This instrument (including the exhibits hereto, which are made a part of this Sublease) contains the entire agreement between the Parties and supersedes all prior written or oral negotiations, discussions, understandings and agreements. The Parties further intend that this Sublease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts of this Sublease and any changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Sublease. Subtenant hereby acknowledges that neither Sublandlord nor Sublandlord's Agents have made any representations or warranties with respect to the Premises or this Sublease except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Subtenant by implication or otherwise unless expressly set forth herein.
- 21.12. Attorneys' Fees. In the event that either Sublandlord or Subtenant fails to perform any of its obligations under this Sublease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Sublease, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees. For purposes of this Sublease, reasonable fees of attorneys in the Office of the San Francisco City Attorney (Sublandlord's General Counsel) shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City and County of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. Further, for purposes of this Sublease, the term "attorneys' fees" shall mean the fees and expenses of counsel to the Parties, which may include printing.

duplicating and other expenses, air freight charges, hiring of experts, and fees billed for law clerks, paralegals, librarians and others not admitted to the bar but performing services under the supervision of an attorney. The term "attorneys' fees" shall also include, without limitation, all such fees and expenses incurred with respect to appeals, mediations, arbitrations, and bankruptey proceedings, and whether or not any action is brought with respect to the matter for which such fees and costs were incurred. The term "attorney" shall have the same meaning as the term "pounsel" of the production of the production

- 21.13. <u>Time of Essence</u>. Time is of the essence with respect to all provisions of this Sublease in which a definite time for performance is specified.
- 21.14. <u>Cumulative Remedies</u>. All rights and remedies of either party hereto set forth in this Sublease shall be cumulative, except as may otherwise be provided herein.
- 21.15. Survival of Indemnities. Termination of this Sublease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Sublease, nor shall it affect any provision of this Sublease that expressly states it shall survive termination hereof. Subtenant specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Sublease, Subtenant has an immediate and independent obligation to defend Sublandlord and the other Indemnified Parties from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Subtenant by Sublandlord and continues at all times thereafter.
- 21.16. Relationship of Parties. Sublandlord is not, and none of the provisions in this Sublease shall be deemed to render Sublandlord, a partner in Subtenant's business, or joint venturer or member in any joint enterprise with Subtenant. This Sublease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided. The granting of this Sublease by Sublandlord does not constitute authorization or approval by Sublandlord of any activity conducted by Subtenant on, in or relating to the Premises.
- 21.17. Recording. Subtenant agrees that it shall not record this Sublease nor any memorandum or short form hereof in the official records of any county.
- 21.18. Non-Liability of Indemnified Parties' Officials, Employees and Agents. No elective or appointive board, commission, member, officer or employee of any of the Indemnified Parties shall be personally liable to Subterlant, its successors and assigns, in the event of any default or breach by Sublandlord or for any amount which may become due to Subtenant, its successors and assigns, or for any obligation of Sublandlord under this Sublease.
- 21.19. No Discrimination. Subtenant shall comply with the non-discrimination provisions of Section 19.1 of the Master Lease, including, without limitation, posting all notices required therein.

- 21.20. Counterparts. This Sublease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.
- 21.21. Master Landlord's Consent. This Sublease is expressly conditioned upon receipt of the written consent of Master Landlord.

22. SPECIAL PROVISIONS

- 22.1. Signs. Subtenant agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Premises or from the exterior of the Premises, without Sublandlord's prior written consent, which Sublandlord may withhold or grant in its sole discretion.
- 22.2. <u>Public Transit Information</u>. Subtenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Subtenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Premises and encouraging use of such facilities, all at Subtenant's sole expense.
- **22.3. TIHDI Job Broker.** Subtenant shall comply with the requirements of the TIHDI Work Force Hiring Plan attached hereto as Exhibit F.
- 22.4. <u>Local Hiring</u>. Subtenant further agrees to use good faith efforts to hire residents of the City and County of San Francisco at all levels of Subtenant's personnel needs and to contract with local businesses for Subtenant's purchase of supplies, materials, equipment or services.

22.5. Non-Discrimination in City Contracts and Benefits Ordinance.

- (a) <u>Covenant Not to Discriminate</u>. In the performance of this Sublease, Subtenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with, Subtenant in any of Subtenant's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Subtenant.
- (b) <u>Sub-Subleases and Other Subcontracts</u>. Subtenant shall include in all sub-subleases

and other subcontracts relating to the Premises a non-discrimination clause applicable to such sub-subtenant or other subcontractor in substantially the form of subsection (a) above. In addition, Subtenant shall incorporate by reference in all sub-subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all sub-subtenants and other subcontractors to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Sublease.

- (c) <u>Non-Discrimination in Benefits</u>. Subtenant does not as of the date of this Sublease and will not during the Term, in any of its operations or in San Francisco or with respect to its operations under this Sublease elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.
- (d) <u>CMD Form.</u> As a condition to this Sublease, Subtenant shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco City Administrator's Contract Monitoring Division (the "CMD"). Subtenant hereby represents that prior to execution of this Sublease, (i) Subtenant executed and submitted to the CMD Form CMD-12B-101 with supporting documentation; and (ii) the CMD approved such form.
- (e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Subtenant shall comply fully with and be bound by all of the provisions that apply to this Sublease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Subtenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of Fifty Dollars (\$50.00) for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Sublease may be assessed against Subtenant and/or deducted from any payments due Subtenant.
- 22.6. MacBride Principles Northern Ireland. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, grace. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Subtenant acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

- 22.7. Tropical Hardwood and Virgin Redwood Ban. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product. Except as expressly permitted by the application of Section 802(b) and 803(b) of the San Francisco Environment Code, Subtenant shall not provide any items to the construction of tenant improvements or Alterations in the Premises, or otherwise in the performance of this Sublease, which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Subtenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Subtenant shall be liable for liquidated damages for each violation in an amount equal to Subtenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.
- 22.8. Wages and Working Conditions. Subtenant agrees that any person performing labor in the construction of any tenant improvements and any Alterations to the Premises, which Subtenant provides under this Sublease, shall be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco, California. Subtenant shall include, in any contract for construction of such tenant improvements and Alterations, a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Subtenant shall require any contractor to provide, and shall deliver to Sublandlord upon request, certified payroll reports with respect to all persons performing labor in the construction of such tenant improvement work or any Alterations to the Premises.
- 22.9. <u>Prohibition of Alcoholic Beverage Advertising.</u> Subtenant acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Premises. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of alcoholic beverages, (ii) encourage people not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services.
- **22.10.** <u>Prohibition of Tobacco Sales and Advertising</u>. Subtenant acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of Sublandlord or the City, including the Premises and the Property. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any

advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

- 22.11. Pesticide Prohibition. Subtenant shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Subtenant to submit to Sublandlord an integrated pest management ("IPM") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Subtenant may need to apply to the Premises during the terms of this Sublease, (b) describes the steps Subtenant will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as Subtenant's primary IPM contact person with the City. In addition, Subtenant shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.
- 22.12. First Source Hiring Ordinance. The City has adopted a First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264 98) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry level positions. Within thirty (30) days after Sublandlord adopts a First Source Hiring Implementation and Monitoring Plan in accordance with the First Source Hiring Ordinance, Subtenant shall enter into a First Source Hiring Agreement that meets the applicable requirements of Section 83.9 of the First Source Hiring Ordinance.
- 22.13. Sunshine Ordinance. In accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors' bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City departments and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. Information provided which is covered by this Section will be made available to the public upon request.
- 22.14. Conflicts of Interest. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of said provisions, and agrees that if Subtenant becomes aware of any such fact during the Term of this Sublease, Subtenant shall immediately notify Sublandlord.
- 22.15. <u>Charter Provision</u>. This Sublease is governed by and subject to the provisions of the Charter of the City and County of San Francisco.

- 22.16. Requiring Health Benefits for Covered Employees. Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Sublease as though fully set forth. The text of the HCAO is available on the web at http://www.sfgov.org/olse/hcao. Capitalized terms used in this Section and not defined in this Sublease shall have the meanings assigned to such terms in Chapter 12Q.
- (a) For each Covered Employee, Subtenant shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Subtenant chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- (b) Notwithstanding the above, if Subtenant is a small business as defined in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with <u>Subsection (a)</u> above.
- (c) Subtenant's failure to comply with the HCAO shall constitute a material breach of this Sublease. Sublandlord shall notify Subtenant if such a breach has occurred. If, within thirty (30) days after receiving City's written notice of a breach of this Sublease for violating the HCAO, Subtenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty (30) days, Subtenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, Sublandlord shall have the right to pursue the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to Sublandlord
- (d) Any Subcontract entered into by Subtenant shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Subtenant shall notify City's Purchasing Department when it enters into such a Subcontract and shall certify to the Purchasing Department that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Subtenant shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the Sublandlord may pursue the remedies set forth in this Section against Subtenant based on the Subcontractor's failure to comply, provided that Sublandlord has first provided Subtenant with notice and an opportunity to obtain a cure of the violation.
- (e) Subtenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying Sublandlord with regard to Subtenant's compliance or anticipated compliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

- (f) Subtenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.
- (g) Subtenant shall keep itself informed of the current requirements of the HCAO.
- (h) Subtenant shall provide reports to Sublandlord in accordance with any reporting standards promulgated by Sublandlord under the HCAO, including reports on Subcontractors and Subtenants, as applicable.
- (i) Subtenant shall provide Sublandlord with access to records pertaining to compliance with the HCAO after receiving a written request from Sublandlord to do so and being provided at least five (5) business days to respond.
- (j) Sublandlord may conduct random audits of Subtenant to ascertain its compliance with HCAO. Subtenant agrees to cooperate with Sublandlord when it conducts such audits.
- (k) If Subtenant is exempt from the HCAO when this Sublease is executed because its amount is less than Twenty-Five Thousand Dollars (\$25,000) (or [Fifty Thousand Dollars (\$50,000) if Subtenant is a qualified nonprofit), but Subtenant later enters into an agreement or agreements that cause Subtenant's aggregate amount of all agreements with Sublandlord to reach Seventy-Five Thousand Dollars (\$75,000), all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Subtenant and the Contracting Department to be equal to or greater than Seventy-Five Thousand Dollars (\$75,000) in the fiscal year.
- 22.17. Notification of Limitations on Contributions. Through its execution of this Sublease, Subtenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City or a state agency on whose board an appointee of a City elective officer serves, for the selling or leasing of any land or building to or from the City or a state agency on whose board an appointee of a City elective officer serves, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six (6) months after the date the contract is approved. Subtenant'acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Subtenant further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Subtenant's board of directors; Subtenant's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Subtenant; any subcontractor listed in the bid or

contract; and any committee that is sponsored or controlled by Subtenant. Additionally, Subtenant acknowledges that Subtenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Subtenant further agrees to provide Sublandlord the name of each person, entity or committee described above.

- 22.18. Preservation-Treated Wood Containing Arsenic. As of July 1, 2003, Subtenant may not purchase preservative-treated wood products containing arsenic in the performance of this Sublease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Subtenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Subtenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.
- 22.19. Resource Efficient City Buildings and Pilot Projects. Subtenant acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Sections 700 to 707 relating to resource-efficient City buildings and resource-efficient pilot projects. Subtenant hereby agrees that it shall comply with all applicable provisions of such code sections.
- 22.20. Food Service Waste Reduction. Subtenant agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in the San Francisco Environment Code, Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Sublease as though fully set forth. This provision is a material term of this Sublease. By entering into this Sublease, Subtenant agrees that if it breaches this provision, Sublandlord will suffer actual damages that will be impractical or extremely difficult to determine; further, Subtenant agrees that the sum of One Hundred Dollars (\$100.00) liquidated damages for the first breach, Two Hundred Dollars (\$200.00) liquidated damages for the second breach in the same year, and Five Hundred Dollars (\$500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that Sublandlord will incur based on the violation, established in light of the circumstances existing at the time this Sublease was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by Sublandlord because of Subtenant's failure to comply with this provision.
- 22.21. Estoppel Certificates. At any time and from time to time, within ten (10) days after Sublandlord's request, Subtenant will execute, acknowledge and deliver to Sublandlord a statement certifying the following matters: (a) the Commencement Date and Expiration Date of this Sublease; (b) that this Sublease is unmodified and in full force and effect (or if there have been modifications, that this Sublease is in full force and effect as modified and the date and

nature of such modifications); (e) the dates to which the Rent has been paid; (d) that there are no Events of Default under this Sublease (or if there are any Events of Default, the nature of such Event of Default); and (e) any other matters reasonably requested by Sublandlord. Sublandlord and Subtenant intend that any such statement delivered pursuant to this paragraph may be relied upon by any assignce of Sublandlord's interest in the Master Lease or this Sublease, any mortgagee or any purchaser or prospective purchaser of the building or land on which the Premises are located. Subtenant irrevocably appoints Sublandlord, as Subtenant's agent, to execute and deliver in the name of Sublandlord any such instrument if Subtenant fails to do so, which failure shall also be an Event of Default under this Sublease.

- 22.22. <u>Addendum</u>. The terms of the Addendum, if any, attached to this Sublease are incorporated into the Sublease by reference. In the event of any inconsistency between the Sublease and the Addendum, the terms of the Addendum shall control.
- 22.23. <u>Cooperative Drafting</u>. This Sublease has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Sublease reviewed and revised by legal counsel. No party shall be considered the drafter of this Sublease, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Sublease.

22.24 Criminal History in Hiring and Employment Decisions

- (a) Unless exempt, Subtenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; "Chapter 12 T"), which are hereby incorporated as may be amended from time to time, with respect to applicants and employees of Subtenant who would be or are performing work at the Premises.
- (b) Subtenant shall incorporate by reference the provisions of Chapter 12T in all subleases of some or all of the Premises, and shall require all subsubtenants to comply with such provisions. Subtenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.
- (c) Subtenant and subsubtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.
 - (d) Subtenant and subsubtenants shall not inquire about or require applicants,

potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Subtenant and subsubtenants shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

- (e) Subtenant and subsubtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Subtenant or subsubtenant at the Premises, that the Subtenant or subsubtenant will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.
- (f) Subtenant and subsubtenants shall post the notice prepared by the Office of Labor Standards Enforcement ("OLSE"), available on OLSE's website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.
- (g) Subtenant and subsubtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.
- (h) If Subtenant has any questions about the applicability of Chapter 12T, it may contact the City's Real Estate Division for additional information. City's Real Estate Division may consult with the Director of the City's Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8.

22.25 Local Hiring Requirements for Subtenant Alterations and Improvements.

Subtenant Alterations and Improvements are subject to the San Francisco Local Hiring Policy for Construction ("Local Hiring Policy") (San Francisco Administrative Code §6.22(G)) unless the subtenant improvements are undertaken and contracted for by Subtenant and are estimated to cost less than \$750,000 per building permit; or meet any of the other exemptions in San Francisco Administrative Code Section 6.22(G). Accordingly, Subtenant, as a condition of this Lease, agrees that, unless subject to an exemption or conditional waiver, Subtenant shall comply with the obligations in San Francisco Administrative Code Section 6.22(G), and shall require Subtenant's subsubtenants to comply with those obligations to the extent applicable. The requirements are summarized below. Before starting any Subtenant Improvement Work. Subtenant shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Subtenant Improvement Work, and Subtenant shall comply with all such requirements. Subtenant's failure to comply with the

obligations in this subsection shall constitute a material breach of this Sublease and may subject Subtenant and its subsubtenants to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penaltics.

- (1) For each contractor and subcontractor performing subtenant improvements in amounts exceeding the Threshold Amount for a Covered Project, Subtenant and its subsubtenants shall comply with the applicable mandatory participation levels for Project Work Hours performed by Local Residents, Disadvantaged Workers, and Apprentices set forth in Administrative Code 86.22(G)(4).
- (2) For Covered Projects estimated to cost more than \$1,000,000, prior to commencement of any work subject to the Local Hiring Policy, Subtenant and its subsubtenants shall prepare and submit to Sublandlord and the City's Office of Economic and Workforce Development (OEWD) for approval a "local hire plan" for the project in accordance with Administrative Code \$6.22(G)(6).
- (3) Subtenant and its subsubtenants shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises.
- (4) Subtenant agrees that (i) Subtenant shall comply with all applicable requirements of the Local Hiring Policy; (ii) the provisions of the Local Hiring Policy are reasonable and achievable by Subtenant and its subsubtenants; and (iii) Subtenant and its subsubtenants have had a full and fair opportunity to review and understand the terms of the Local Hiring Policy.

22.26 Local Hiring Requirements for Special Events.

Unless exempt, if Subtenant has a special event on the premises, Subtenant must comply with all applicable provisions of the San Francisco Local Hiring Policy in the performance of construction activities during the set-up, execution and strike of Events of four (4) or more consecutive or non-consecutive days. Before starting any Construction Work for Special Events covered under the Local Hiring Policy, Event Sponsor shall contact the City's Office of Economic Workforce and Development ("OEWD") to verify the Local Hiring Policy requirements that apply to the Special Event, and Event Sponsor shall comply with all such requirements. Failure to comply with the obligations in this subsection shall constitute a material breach and may subject Event Sponsor to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penalties.

- For construction work on events covered by the Local Hiring Policy that exceed \$400,000, a budget of construction activities must be submitted with this application for review by OEWD.
- (2) Contractors shall comply with the applicable mandatory participation levels for Project

Work Hours performed by Local Residents, Disadvantaged Workers, and Apprentices as set forth in Section 6.22(G)(4).

- (3) Contractors shall comply with applicable recordkeeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including allowing access to employees of its contractors and subcontractors and other witnesses at the Premises.
- 22.27. <u>Bottled Drinking Water</u>. Unless exempt, Subtenant agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24, including the administrative fines, remedies, and implementing regulations provided therein, as the same may be amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Sublease as though fully set forth.

Sublandlord and Subtenant have executed this Sublease in triplicate as of the date first written above.

SUBTENANT:

GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership

By: C	ellco I	Partnership,	Its	General	Partner
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By:	
Name:	Brian Mecum
Title:	Area Vice President Network

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By:		
	Robert P. Beck	
	Treasure Island Director	

DE	NNIS J. HERRERA, City Attorney		
By:	Deputy City Attorney		
Sub	lease Prepared By: Richard A. Rovetti, Deputy Director of Real	Estate	

(initial)

APPROVED AS TO FORM:

EXHIBIT A MASTER LEASE

EXHIBIT B

DIAGRAM OF PREMISES

EXHIBIT C

COVER PAGE OF THE SEISMIC REPORT

EXHIBIT D

RULES AND REGULATIONS

- 1. All rules and regulations set out in the Master Lease shall prevail.
- No signs, advertisements, or notices shall be attached to, or placed on, the exterior or interior of the Building or elsewhere on the Property, without prior written approval of Sublandlord.
- 3. Subtenant's contractors and invitees, while on the Premises or Subtenant's parking area, shall be subject to these Rules and Regulations, and will be subject to direction from Sublandlord and its agents, but will not be an agent or contractor of the Sublandlord or its agents. Subtenant's contractors shall be licensed by the State, insured and bonded at the amount requested by the Sublandlord.
- 4. Subtenant shall install and maintain at Subtenant's expense, any life safety equipment required by governmental rules, regulations or laws to be kept on the Premises.

EXHIBIT E

STANDARD UTILITIES AND SERVICES AND RATES

Utilities Rate Schedule

Utility Service	Rate	Unit
Electric Rate	\$0.14	per kwh
Water Rate	\$7.70	per kgal
Sewer Rate	\$13.70	per kgal
Gas Rate	\$0.60	per kcf

Rates are subject to adjustment.

Subtenant shall install utility Submeters to the satisfaction of Sublandlord.

Subtenant shall arrange for delivery of utility services to the premises by making a "Request for Utilities Services" by contacting:

San Francisco Public Utilities Commission c/o Treasure Island Development Authority One Avenue of the Palms Treasure Island San Francisco, CA. 94130 Attn: Mr. Sam Larano (415) 274-0333 (415) 554-0724

EXHIBIT F

THIDI WORKFORCE HIRING PLAN

THIDI Job Broker Program Requirements for Island Tenants

As part of the workforce hiring goals for Treasure Island, the Treasure Island Development Authority's (TIDA) requires that Island commercial tenants are to make good faith efforts to fill appropriate available on-Island positions through the Treasure Island Homeless Development Initiative (TIHDI) TIHDI Job Broker Program (TJBP). All new non-supervisorial positions created by on-Island commercial tenants and businesses should be opened to consideration of TJBP candidates, and San Francisco residents should account for a majority of all new hires by on-Island commercial tenants and businesses.

In order to help commercial tenants reach these goals, the TJBP provides free and immediate access to San Francisco's extensive non-profit employment & training programs and to a resource pool of individuals with varied skill levels and work experience backgrounds.

Through the TJBP, a job description and set of qualification requirements for the new or open position is distributed to the TJBP's network of employment service agencies on behalf of the commercial tenant. Appropriate candidates from these agencies are then referred to the commercial tenant for interviewing. All of the TJBP referrals are required to meet universal standards of job readiness.

To effectively implement the Good Faith provisions of the TJBP, commercial tenants are asked to provide TIHDI with a written plan, list available jobs with TIHDI prior to public advertisement, consider TJBP referrals, and establish an ongoing relationship with the TJBP.

Additionally, if a commercial tenant does not anticipate making any new hires, it can meet its requirements under the TJBP by contracting with one of the two on-Island social enterprise operations: Toolworks Janitorial Services and/or Rubicon Programs Landscaping. Contact the TJHDI Job Broker for these services and for further information on the TJHDI Job Broker System to discuss and develop your workforce hiring plan.

For further information on the TIHDI Job Broker Program, please contact:

Noel Santos TIHDI Job Broker (415) 274-0311 ex. 302 nsantos@tihdi.org

ADDENDUM TO SUBLEASE

This is an Addendum to the Sublease dated as of June 1, 2015, between the Treasure Island Development Authority ("Sublandlord"), and GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership ("Subtenant"), relating to certain premises described in the Sublease.

This Addendum supersedes and replaces the terms of the Sublease to which it is attached to the extent of any inconsistency between the Sublease and this Addendum. All capitalized terms used in this Addendum and not defined herein shall have the meanings set forth in the Sublease

Sublandlord and Subtenant agree as follows:

- 1. New Sections 22.28 through 22.31. New Sections 22.28 through 22.31 are hereby added to the Sublease, which state in their entirety as follows:
 - "22,28, Radio Frequency Radiation and Electromagnetic Fields. Without limiting Section 11.1 above. Subtenant shall comply with all present and future laws. orders and regulations of federal, state, county and municipal authorities relating to allowable presence of or human exposure to Radiofrequency Radiation ("RFs") or Electromagnetic Fields ("EMFs") on or off the Premises, including without limitation, all applicable standards adopted by the Federal Communications Commission, whether such RF or EMF presence or exposure results from Subtenant's equipment alone or from the cumulative effect of Subtenant's equipment added to all other sources in and around the Premises, and Subtenant shall not cause an increase in RF or EMF levels in and around the Premises such that the cumulative levels exceed applicable standards adopted by the Federal Communications Commission. Sublandlord shall require any third party entering into an occupancy or use agreement after the Commencement Date to agree not to cause an increase in RF or EMF levels in and around the Premises such that the cumulative levels exceed allowable levels. Without limiting the provisions of Tenant's indemnity contained in Section 16.2 (Subtenant's Indemnity), Subtenant, on behalf of itself and its successors and assigns, shall indemnify the "Indemnified Parties", and each of them, from and against all "Claims" incurred in connection with or arising in whole or in part from the presence of or exposure to RFs or EMFs resulting from Subtenant's use of the Premises.
 - 22.29 Protection Against Interference. Subtenant will not permit its equipment or use of the Premises as a communications site to cause interference with or impairment of the City's 911 Public Communications Safety System or Citywide 800 MGHz Radio System or other communication or computer equipment used by City, Sublandord or any of its agents or subtenants. Subtenant will not use the Premises or its equipment located in the Premises in any way which interferes with any existing use of the Property prior to this Sublease or any future use of the Property by Sublandlord or its subtenants (including, without limitation, Sublandlord's or its subtenants' use of the Property with related radio, telephone and other communications transmission and reception), and such interference shall be deemed a material breach of this Sublease by Subtenant, which shall, upon notice from Sublandlord, be responsible for terminating

such interference. In the event any such interference does not eease promptly, the parties acknowledge that continuing interference may cause irreparable injury and, therefore, Sublandlord shall have the right to bring action to enjoin such interference or to terminate this Sublease immediately upon notice, at Sublandlord's election."

- 22.30 <u>Co-Location</u>. Co-location of facilities is prohibited except with the express written approval of Sublandlord. A "co-located telecommunication facility" means a telecommunication facility comprised of one or more antennas, dishes, or similar devices owned or used by more than one public or private entity. Licenses and Approvals.
- 22.31 <u>Licenses</u>. Subtenant represents and warrants that it has acquired all licenses, permits, and other approvals required under all federal, state, and local laws for the operation of Subtenant's equipment on the Premises. Subtenant shall maintain all such licenses, permits or other approvals throughout the term of this Sublease.

Sublandlord and Subtenant have executed this Addendum to Sublease in	n triplicate as o	of
the date first written above.		

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GTE MOBILNET OF CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership

By:	
Name:	Brian Mecum
Title:	Area Vice President Network

By: Cellco Partnership, Its General Partner

SUBLANDLORD:

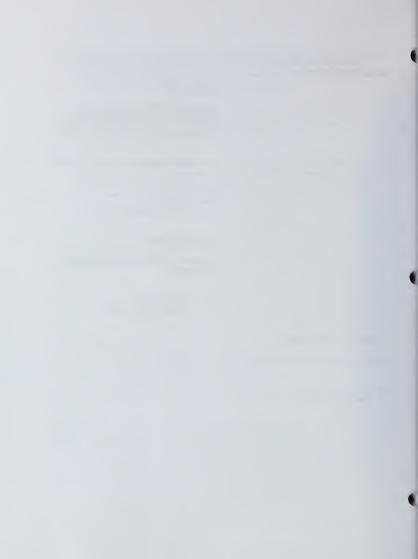
TREASURE ISLAND DEVELOPMENT AUTHORITY

Ву:	
	Robert P. Beck
	Treasure Island Director

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:		
,	Deputy City Attorney	



[Sublease with GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership]

1 2

Resolution Approving and Authorizing the Execution of Sublease Nos. 954, 955 and 956 with GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership, for three cellular communications sites located on Treasure and Yerba Buena Islands, California.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy; and,

WHEREAS, The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for Treasure Island in 1997; and,

WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of the Authority as the redevelopment agency for Treasure Island under California Community Redevelopment Law in Resolution No. 11-12; and that such rescission does not affect Authority's status as the Local Reuse Authority for Treasure Island or the Tidelands Trust

trustee for the portions of Treasure Island subject to the Tidelands Trust, or any of the other powers or authority; and,

WHEREAS, For over one year, GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership (hereafter referred to as "Verizon"), has subleased land located at 3rd Street between Avenue N, Treasure Island, for the purposes of operating a temporary cell site on wheels under a month-to-month Sublease with a Base Rent of \$6,300.00; and,

WHEREAS, Authority staff and Verizon have been working together on three new month-to-month – (1) Sublease No. 954 for Cell Site No. 123818 located on Yerba Buena Island, (2) Sublease No. 955 for Cell Site No.287912 located on the Northeast corner of the rooftop of Hanger 3, and (3) Sublease No. 956 for Cell Site No. 193827 located at the intersection of 11th Street and Avenue D, commencing June 1, 2015 or the first day of the month following the date Verizon commences construction of the facility to November 30, 2016 each with monthly Base Rents of \$4,000.00 per month; and.

WHEREAS, Although the Authority has not commissioned an appraisal for cell sites on either Treasure or Yerba Buena Islands, Authority staff has received cell site comparables from the Port of San Francisco in the range of approximately \$4,000.00 to \$6,000.00 per month, and believes the proposed monthly rent for each sublease of \$4,000.00 totaling \$12,000.00 per month along with improved covered for Island residents represents fair market value for this Sublease at this time; now, therefore, be it

RESOLVED, That the Board of Directors hereby approves (1) Sublease No. 954 for Cell Site No. 123818 located on Yerba Buena Island, (2) Sublease No. 955 for Cell Site No.287912 located on the Northeast corner of the rooftop of Hanger 3, and (3) Sublease No. 956 for Cell Site No. 193827 located at the intersection of 11th Street and Avenue D, and

 authorizes the Treasure Island Director or his designee to execute said Subleases in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby finds that (i) entering into the Sublease will serve the goals of the Authority and the public interests of the City, and (ii) the terms and conditions of the Sublease are economically reasonable; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Treasure Island Director to enter into any additions, amendments or other modifications to the Sublease that the Treasure Island Director determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Sublease, such determination to be conclusively evidenced by the execution and delivery by the Treasure Island Director of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island

Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on April 8, 2015.

Jean-Paul Samaha, Secretary

















TREASURE ISLAND AND YERBA BUENA ISLAND

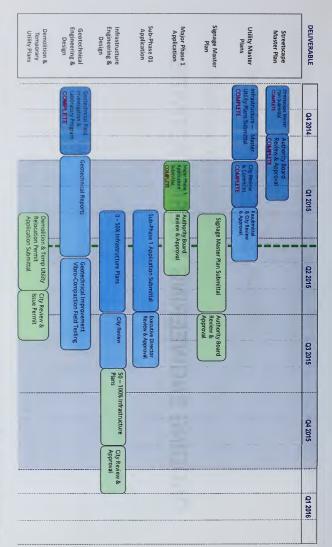
Treasure Island Development Authority Board

AGENDA

Ongoing Engineering & Design Activities

Upcoming Construction Activities

ONGOING ENGINEERING & DESIGN ACTIVITIES



TREASURE ISLAND | TIDA Board Meeting | April 8, 2015





TREASURE ISLAND | TIDA Board Meeting | April 8, 2015 |



TIDA Board Meeting April 8, 2015

RETAIL MAIN STREET

TREASURE ISLAND | TIDA Board Meeting | April 8, 2015



EASTSIDE COMMONS

TREASURE ISLAND | TIDA Board Meeting | April 8, 2015



TREASURE ISLAND | TIDA Board Meeting | April 8, 2015 |



TREASURE ISLAND | TIDA Board Meeting | April 8, 2015

UPCOMING CONSTRUCTION ACTIVITIES

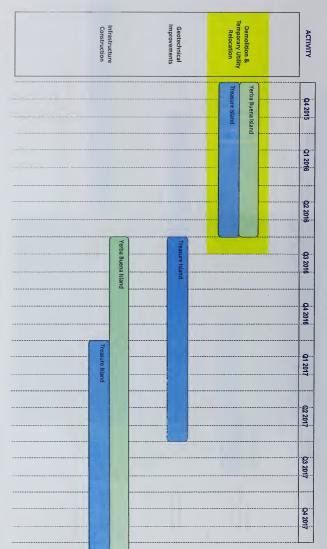
TREASURE ISLAND | TIDA Board Meeting | April 8, 2015

Sub-Phase IYA Sub-Phase IYB

Sub-Phase 1E Sub-Phase 1F

HITICPIPARI

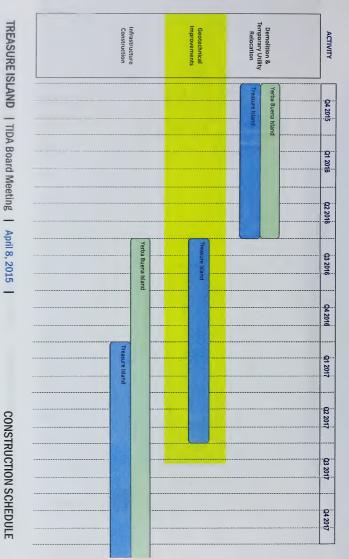
TREASURE ISLAND | TIDA Board Meeting | April 8, 2015 |



CONSTRUCTION SCHEDULE

DEMOLITION





GEOTECHNICAL IMPROVEMENTS

TREASURE ISLAND | TIDA Board Meeting | April 8, 2015 |



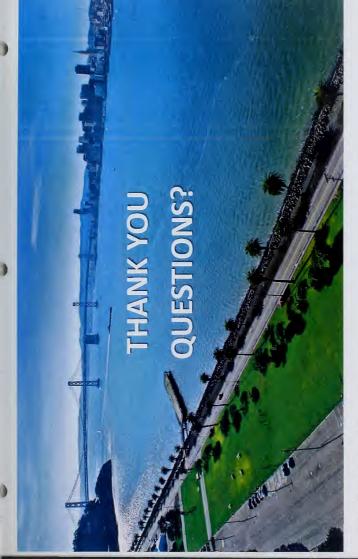
Proposed Low Pressure Water Existing Low Pressure Water

LEGEND

--- Major Phase 1 Boundary Connection Point Water Tanks

STREETS & UTILITIES















AGENDA ITEM 12

Treasure Island Development Authority City and County of San Francisco Meeting of April 8, 2015

Subject: Informational Presentation on the Proposed Draft Treasure Island

Development Authority Fiscal Year 2015-16 Budget and Fiscal Year 2016-17 Budget, Including Work-Orders for Services with other City Departments and Professional Services Contracts and Agreements with

Service Providers (Discussion Item)

Contact: Robert Beck

Treasure Island Director

BACKGROUND

This presentation is for consideration of the proposed Treasure Island Development Authority ("TIDA") Budget for Fiscal Year 2015-16 ("FY2015-16") and Fiscal Year 2016-17 ("FY2016-17) which would authorize the Treasure Island Director to submit the proposed budget to the Mayor of the City and County of San Francisco (the "City") for further review and inclusion in the City's FY2015-16 Budget. Additionally, the proposed Budget would authorize the Treasure Island Director to enter into Work-Orders with other City Departments for services associated with its development and operational needs, professional service contracts with vendors, and grants and agreements with service providers.

TIDA was established as a California nonprofit public benefit corporation and delegated certain powers under state and local legislation for the purpose of promoting the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the former Naval Station Treasure Island (the "Base"). Specifically, the Treasure Island Conversion Act of 1997 (the "Act"), passed by the California legislature in 1997, granted to TIDA the State's authority to administer the Tidelands Trust on Treasure Island/Yerba Buena Island and enabled TIDA to be designated as a as the Local Reuse Authority ("LRA") to manage the conversion of the former Base, which includes portions of Yerba Buena Island, from military use to civilian reuse.

The specific mission of TIDA is to redevelop the former Base and manage its integration with the City in compliance with federal, state and city guidelines, including the California Tidelands Trust; create new housing and job opportunities for San Francisco residents, including assuring job opportunities for homeless and economically disadvantaged City residents; increase recreational and Bay access venues for San Francisco and Bay Area residents; and promote the welfare and well-being of the citizens of San Francisco.

To achieve these goals, TIDA provides services that can be grouped into two broad categories described in more detail below.

 Property Management/Municipal Services. Under the provisions of a Cooperative Agreement between TIDA and the United States of America, acting by and through the Department of the Navy ("Navy"), TIDA serves as the property manager for the Base. TIDA is responsible for the overall operations including building maintenance, utility operations and maintenance, landscaping, road repair and management of personal property. In addition, the Cooperative Agreement makes TIDA and the City responsible for the provision of municipal services to Treasure Island and Yerba Buena Island including public safety services.

To offset the costs associated with property management and municipal service responsibilities, TIDA established two principal sources of revenue: (i) revenue generated from interim leasing of existing facilities; and (ii) revenue generated from special events held on the Base. TIDA has entered into MOUs and work orders with numerous City departments to provide the spectrum of services required under the Cooperative Agreement.

2. Transfer of Federal Property/Planning for Future Development.

In 1997, TIDA was formed and began an extensive public process plan for the future the reuse of the former Naval Station Treasure Island ("the Base"). Portions of the Base have been transferred to the United States Coast Guard, the United States Department of Labor, and State of California, acting by and through Caltrans. As the designated local reuse authority, TIDA negotiated with the United States Navy to acquire the remaining approximately 365 acres on Treasure Island and approximately 115 acres on Yerba Buena Island (together, "the Islands").

In 2003, TIDA selected Treasure Island Community Development, LLC ("TICD") through a competitive RFQ/RFP process as the master developer for the Treasure Island/Yerba Buena Island Development Project ("Project"). In 2006, TIDA and the San Francisco Board of Supervisors endorsed a Development Plan and Term Sheet for the Project, which guided the efforts required to make the ambitious reuse plans for the Islands a reality.

In 2011, after over ten years of extensive community engagement and public process, the Project received its necessary entitlements and approvals from TIDA, the Planning Commission and the San Francisco Board of Supervisors. This included certification of a final Environmental Impact Report for the Project pursuant to CEQA, and approvals of the Disposition and Development Agreement with TICD, the Development Agreement between the City of San Francisco and TICD, an agreement between TIDA and the Treasure Island Homeless Development Initiative, as well as other necessary land use and regulatory approvals.

In July of 2014, TIDA entered into an Economic Development Conveyance Memorandum of Agreement with the Navy which established the phasing schedule and terms under which the Navy will transfer the Base to TIDA. This commitment to transfer the property represented a critical milestone for the Project and triggered increased predevelopment planning and engineering efforts by TICD to prepare Utility Master Plans, a Streetscape Master Plan, and Major Phase and Sub-Phase Applications necessary for the Project to begin construction. In February 2015 the TIDA Board approved the

Streetscape Master Plan, and the Utility Master Plans and Major Phase Application have been submitted and are under review by TIDA Staff and City Agencies and are expected to be approved before Fiscal Year End. In October 2014 the Navy issued its Finding of Suitability to Transfer (FOST) for the lands to be included in the first property transfer expected to be concluded in April 2015.

Key priorities during FY 15-16 include: receipt and review of the first Sub-Phase Application and Final Improvement Plans from TICD, the continued construction of the Yerba Buena Island Ramps Improvement Project, approval of a Disposition and Development Agreement with Treasure Island Enterprises, LLC., for expansion of the Treasure Island Marina, the first transfer of property from TIDA to TICD and the beginning of infrastructure construction.

FISCAL YEAR 2015-16 and FISCAL YEAR 2016-17 BUDGET DISCUSSION

In presenting the proposed FY 2015-16 Budget, a review of the current year's revenue and expenses is first required. Housing revenue is less than annual projections but commercial revenue is out- performing projections. Administrative costs are also less than projected. Based upon communications with SFPUC, TIDA made mid-year adjustments to the utility rates and incurred unanticipated permit compliance and transfer costs.

FY2014-15 Revenues

The TIDA Budget for FY 2014-15 projected housing revenue of \$3,689,470 which included the Base Rent and Percentage Rent derived from John Stewart Company (JSCo), our property manager. This budget included prevailing wage impacts on projected labor costs.

Last fall, the Navy performed radiological surveys of all residential units and JSCo concurrently performed moisture surveys. These surveys revealed a number of units with minor, moderate, and, in a few cases, serious moisture leaks. JSCo incurred more than \$700,000 in unanticipated expenses addressing these problems. JSCo has also been readying more than forty units in anticipation of the relocation of YBI residents this summer. To mitigate the impact of these two extraordinary spikes in expenses, TIDA has authorized JSCo to utilize \$400,000 in reserves. Per the agreement with JSCo, these reserves would be restored the subsequent years helping distribute the effect of these two events over multiple years.

The TIDA Budget for FY2014-15 projected commercial revenue at \$3,840,770. Staff is projecting that actual commercial revenue for the year will exceed \$4.6 million. This increase is due to the continued creation of leasing opportunities despite a portfolio of challenged properties and low commercial tenant turnover. A utility charge was also introduced to all leases of commercial tenants with un-metered utilities in response to the utility rate changes.

Hence, the anticipated housing revenue decrease will be off-set by the increase in commercial revenues so that the gross revenues for FY 2014-15 will exceed projections.

FY2014-15 Expenditures

As described, TIDA experienced expenses in excess of budget in FY2014-15 for utility operations, maintenance and permitting. Expenses for environmental services, salaries, and relocation assistance and benefits are all projected to be below budget.

In aggregate, TIDA's expenses for FY2014-15 are projected to be within budget, and, therefore, overall revenue is projected to exceed expenditures for FYE2015. Staff will be refining year closing projections over the next month to better estimate the year closing balance.

FISCAL YEAR 2015-16 BUDGET

The interim move of YBI residents to TI will be finalized in the first quarter of FY2015-16 and some commercial tenant leases will need to be terminated in the third quarter of the FY as development activities begin. The expenditures associated with operations are proposed to increase slightly to address some facility maintenance projects. As development expenses are projected to increase slightly – primarily to address additional transportation and congestion management work of the Treasure Island Mobility Management Agency (TIMMA). Increased development costs included in the FY2014-15 will continue with the review of the Sub-Phase application and the start of development activities. Professional and Specialized Services contracts along with City Work Orders are increased accordingly.

FY2015-16 Revenue Projections

The housing revenue from the John Stewart Company (JSCo) is projected to be \$3.3 million, including Base Rent and Percentage Rent. This is below FY2014-15 budget projections, but significantly above FY2014-15 actuals. As described, two extraordinary events increased FY 2014-15 expenses and gross revenues are projected to rebound as units are being withheld from inventory in anticipation of the YBI relocations are returned to the leasing portfolio. Commercial leasing revenue is projected to increase to \$4.9 million.

The use of Fund Balance from FY2014-15 will be required to balance the budget. Depending upon the final FY2014-15 ending fund balance, a payment from Treasure Island Community Development may be required to balance the FY2015-16 budget.

FY2015-16 Expenditure Projections

TIDA's Administrative expenses remain low. The total Project Staff expenses - staff salaries and staff benefits - remains 12 total FTEs and participation in the Summer Job + Program. Operational Professional and Specialized Service contracts and obligations are increased modestly from last year for TIHDI and Toolworks (janitorial) consistent with their scope of services. A slight decrease in the budget for Rubicon (landscaping) is projected with the planned vacation and demolition of the YBI housing area.

A payment by Treasure Island Community Development of \$2.875 million through TIDA to the SFCTA for the local match on the ramps project is included in the Development Professional Services line item.

The balance of revenues fund Operation Work-Orders with City Departments for public safety, utilities, public works and building services including with SFPUC, DPW, SFPD, SFPD, SFPD, Risk Manager, SFMTA and the Department of Real Estate in the amount of \$3.8 million. Another \$4.0 million in City Work-Order funds both Operation and Development costs of the City Attorney Office for legal work, General Services Agency for administrative services, and agency reviews of pre-development applications and development activities.

The budget for SFPUC expenditures is increased by more than \$700,000. The budget for the PUC utility services is increased by 18.9% to \$896,404 and \$550,000 is included to reflect one-time costs for bringing waste and stormwater permitting in line with new State requirements. The SFPUC budget also includes \$150,000 for the rental of two on-Island generators and \$200,000 set aside per the Memorandum of Understanding between TIDA and the PUC for the repayment of TIDA's outstanding debt accumulated prior to September 2006.

To provide for general maintenance and repair of the Island (Building and Facility), \$450,000 is proposed (an increase of \$125,000) in order to fund items identified by the Island community to improve the Quality of Life: street lighting, signage, and traffic calming measures, plus facility preservation and maintenance.

The approval of the FY2015-16 Budget will authorize the expenditures under these Work-Orders.

The FY2015-16 Budget information is outlined in the following Exhibits.

Exhibit A - TIDA Revenue Forecast

Exhibit B-TIDA Revenue Details

Exhibit C -TIDA Expense Forecast

Exhibit D- TIDA Expense Details

FISCAL YEAR 2016-17 BUDGET

The FY2016-17 Budget is also provided for review. Residential revenues are projected to rebound slightly in FY2016-17 after YBI residents relocate to Treasure Island and additional vacant units can be leased. Commercial revenues are anticipated to be flat with rent increases offsetting decreases in the total area under lease. Expenses decrease slightly in recognition that some of the permitting costs included in the FY 2015-16 budget will be one-time expenses.

The Draft FY2016-17 Budget information is outlined in the following Exhibits.

Exhibit E - TIDA Projected Revenue

Exhibit F - TIDA Projected Expenses

Next Steps: Project Staff will meet to discuss Draft Budget with the Treasure Island community and leadership, confer with Treasure Island Community Development and GSA Budget Office, and present a final budget for approval at the Authority Board's May meeting.

Prepared by Robert Beck, Treasure Island Director

Exhibit A TIDA PROJECTED REVENUE FY2015-16 DRAFT

TIDA REVENUE SOURCES	FY2015-16 Budget	FY2016-17 Budget
Collaborative Special Events	-	•
TIDA Special Events Revenues	\$ 327,050	\$ 100,000
TI Commercial Revenues)	\$ 4,932,537	\$ 4,795,026
Film Revenues	\$ 39,000	\$ 30,000
YBI Cellsites/ Banner Revenues	\$ 439,666	\$ 452,856
Marina Revenues	000'06 \$	\$
John Stewart Company Housing Revel	\$ 3,341,102	\$ 3,629,102
Housing CAM	\$ 480,901	\$ 480,901
Fund Balance FYE 2012	•	
Fund Balance FYE 2013	•	
Fund Balance FYE 2014	\$ 526,906	
TICD Reimbursement (SFCTA)	\$ 2,875,000	\$ 2.875.000
Fund Balance FYE 2015 /		
TICD Reimbursement (Balancing)	\$ 624,013	\$ 727,290
Grand Totals	\$ 13,676,175 \$	\$ 13,180,175

Assumptions:

Events District (Casa, GL, Chapel) through 12/31/2015, gone for 2016-17 Removal Building 180, Café, Yacht Club, Misc. buildings along Waterfront. Commercial revenes include Energy charges of approx. 130K



I. TIDA OPERATIONS REVENUE DETAILS FY2015-16

TI Special Events Revenues

This amount reflects revenues received from special events held on Treasure Island such as corporate events, wedding receptions, and recreational use. The revenues are separated between the Collaborative Special Events and the TIDA-booked events to differentiate and monitor funds.

A. Collaborative Special Events

TIDA FY2014-15 Budget	TIDA FY2015-10	6 Budget	Change
\$120,000	0	A.	(\$120,000)

The Collaborative was dissolved in December 2014, and all venues that were associated with the collaborative are manages by TIDA.

B. TIDA- Special Events

TIDA FY2014-15 Budget	TIDA FY2015-16	Budget	Change
\$430,000	\$327, 050		(\$102,950)

This amount is reflects revenue based on TIDA managed Special Event venues and reflects the return of signature events including Dragon Boat Festival, TI Music Festival, Oracle World and TI Flea Market, among others. The decrease is due to the pending development phasing schedule making the Great Lawn, Casa de la Vista, The Treasure Island Chapel, as well as the Eucalyptus and Building 180 parking lots unavailable for event rental after December 31, 2015.

C. TI Commercial Revenues

TIDA FY201	4-15 Bud	lget TIDA FY2015-16 Budget	Change
\$3,840,770		\$4,932,537	\$1,091,767

This amount reflects executed subleases and potential new subleasing opportunities for commercial space on Treasure Island. Increase is largely due to the subleasing of Hangar 3, as well as the utilization of various vacant yards as storage facilities on Treasure Island

D. TI Film/Photo Permits

TIDA FY2014-15 Budget	TIDA FY2015-16 Budget	Change
\$35,000	\$39,000	\$4,000

This amount reflects revenues received from permits issued on the Islands in the current fiscal year.

E. Cell Sites, Banner & Franchise fees

This amount reflects revenues that will be received from cell sites, banners and franchise fees with anticipated CPI adjustment. Subleases include ATT, Comcast and T-Mobile, among

others.

F. TI Maritime

TIDA FY2014-15 Budget TIDA FY2015-16 Budget Change

\$90,000 \$90,000

This amount reflects the executed Master Southern Waterfront agreement for use of Treasure Island Marina based on a minimum monthly rent of \$7,500; \$90,000 annualized.

G. JSCO-Housing Revenues

TIDA FY2014-15 Budget TIDA FY2015-16 Budget Change

\$3,689,470 \$3,341,102 (\$640,511)

 Percentage Rent: Based upon approximately 426 of 554 income generating unit portfolio for FY 2015-16, the total projected housing revenues from the John Stewart Company (JSCO) is \$3,341,102 after deducting expenses including the John Stewart 5% fee. Further, based on the Sharing Agreement between TIDA and the Treasure Island Homeless Development Initiative (TIHDI) approved by the San Francisco Board of Supervisors in 1996, TIHDI will receive \$284,750, or 8.49% of Percentage Rent.

John Stewart Company 95% of Percentage Rent: \$3,048,959 TIHDI-TIDA Sharing Agreement Calculations: (\$3,048,959 X 8.49%) = \$258,857 John Stewart Company Percentage Rent Net: (\$(\$3,048,959 -\$258,857) = \$2,790,102

2. <u>Base Rent</u>: The John Stewart Company projects \$551,000 in Base Rent in the FY 2015-16.

Total John Stewart Housing Revenues: \$2,790,152 + 551,000 = \$3,341,102

H. Housing CAM

TIDA FY2014-15 Budget TIDA FY2015-16 Budget Change

\$479,472 \$480,910 \$1,438

TIDA OPERATIONS REVENUE DETAILS FY2015-16

The amount reflects income for housing Common Area Maintenance (CAM) charges.



Exhibit C

IDA PROJECTED EXPENSES FY2015-16 (As of 4/1/15)	Proposed FY2015-16 8UDGET	Proposed FY2016-17 BUDGET	VARIANCE
RAFT			
ADMINISTRATION	1		
MING, CONFERENCES AND TRAVEL COSTS (02200)	\$20,300	\$20,300	\$
DYEE FIELD EXPENSES (LOCAL FIELD EXPENSES) (02300)	\$2,000	\$2,000	\$
//BERSHIP FEES (02400)	\$6,700	\$6,700	S
OTHER FEES (35235)	\$0	\$0	\$
PROMOTIONAL AND MARKETING EXPENSE (02500)	\$35,000	\$35,000	\$
ADMIN PROFESSIONAL & SPECIALIZED SERVICES (02700)			S
TIHDI - OPERATING CONTRACT	\$196,000	\$196,000	\$
TREASURE ISLAND BOYS & GIRLS CLUB HOUSE (02711)	\$10,000	\$10,000	\$
TI GYM OPERATIONS YMCA	\$145,000	\$145,000	\$
OTHER PROFESSIONAL SERVICES (02799)	\$20,000	\$20,000	s
DEVELOPMENT PROFESSIONAL SERVICES (02799)	\$4,000,000	\$4,000,000	\$
OTAL ADMINISTRATION	\$4,435,000	\$4,435,000	\$0
PROFESSIONAL & SPECIALIZED SERVICES (2800)			
MAINTENANCE SERVICES - BUILDINGS			
SCAVENGER SERVICES (Trash Disposal)	\$50,000	\$50,000	\$(
IANITORIAL SERVICES (TOOLWORKS)	\$162,600	\$162,600	\$11,600
EST CONTROL (2803)	\$5,000	\$5,000	\$
GROUNDS MAINTENANCE (RUBICON) (02801)	\$602,593	\$602,593	\$
MAINTENANCE SERVICES (BUILDING) (02899)	\$250,000	\$250,000	\$
MINTENANCE SERVICES (FACILITY)) (02800)	\$200,000	\$200,000	\$(
MISC. FACILITY (PUBLIC ART HISTORICAL PRESERVATION) (03031)	\$20,000	\$20,000	\$
RENTS & LEASES - EQUIPMENT (03100-03599)	\$35,000	. \$35,000	S
WATERIALS & SUPPLIES (04000)	\$25,000	\$25,000	\$0
OTHER MATERIAL AND SUPPLIES - PUBLIC SAPETY (04599)	\$25,000	\$25,000	
EQUIPMENT - (080929)	\$0	\$0	SI
TAL PROFFESSIONAL & SPECIALIZED SERVICES	\$1,375,193	\$1,375,193	\$0
CITY DEPARTMENT WORK-ORDERS			
GENERAL SERVICES AGENCY (081CA)	\$2,300,000	\$2,350,000	\$50,000
ISK MANAGEMENT SERVICES (OPERATIONS AND REDEVELOPMENT INSURANCE) (0810B)	\$144,370	\$144,370	\$0
F-CITY ATTORNEY - LEGAL SERVICES OPERATIONS (081CT)	\$996,558	\$996,558	\$0
S - TIS - ISD SERVICES (081CI)	\$26,181	\$26,181	\$0
IS-IDS SERVICES (081C5)	\$487	\$487	\$0
SF- TIS TELEPHONE SERICES (081ET)	\$13,892	\$13,892	SI
F - FIRE (081FC)	\$60,000	\$60,000	SI
R - MANAGEMENT TRAINING	\$4,740	\$4,740	\$0
S-PURCH-CENTRAL SHOPS-AUTO MAINT (AAO) (081PA)	\$7,744	\$7,744	\$0
IS-PURCH-CENTRAL SHOPS-FUEL STOCK (AAO) (081PF)	\$2,146	\$2,146	\$0
GF - PARKING & TRAFFIC (081PK)	\$25,000	\$25,000	\$0
RCH-REPRODUCTION (AAO) (081PR)	\$6,000	\$6,000	\$(
POLICE SECURITY (SFPD) (081SP)	\$96,546	\$96,546	\$0
GF-POLICE SECURITY (SFPD) (02811)	\$0	\$0	\$0
GF-PUC-HETCH HETCHY (081UH)	\$1,796,000	\$1,250,000	(\$546,000
SR-DPW-BUILDING REPAIR (081WB)	\$869,855	\$869,855	\$0
SR-DPW-BUREAU OF STREET ENVIRONMENTAL SERVICES (081WC)	\$62,072	\$62,072	\$(
SR-DPW-BUREAU OF STREETS AND SEWER REPAIR SERVICES (081WR)	\$132,988	\$132,988	\$(
SR-DPW-BUREAU OF URBAN FORESTRY SERVICES (081WU)	\$331,616	\$331,616	\$(
SR-OPW-BUREAU OF STREET USE & MAPPING (081WB)	\$610,000	\$610,000	\$0
ADM - REAL ESTATE SPECIAL SERVICES (DEPT. OF REAL ESTATE- FACILITIES MGMT) (081W6)	\$51,040	\$51,040	\$0
HUMAN SERVICES AGENCY (081SS)	\$40,000	\$40,000	\$
DEPARTMENT OF PUBLIC HEALTH (081HE)	\$75,000	\$75,000	\$0
DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES (081CH) - TI AFTER SCHOOL PROGRAM	\$166,000	\$166,000	\$
	\$47,747	\$47,747	\$(
		\$7,369,982	(\$496,000
TAL CITY DEPARTMENT WORK-ORDERS	\$7,865,982		
TAL CITY DEPARTMENT WORK-ORDERS	\$13,676,175	\$13,180,175	(\$496,000
TAL CITY DEPARTMENT WORK-ORDERS TAL OPERATIONS EXPENDITURES	\$13,676,175		
TAL CITY DEPARTMENT WORK-ORDERS TAL OPERATIONS EXPENDITURES	\$13,676,175	\$13,180,175	(\$496,000
TAL CITY DEPARTMENT WORK-ORDERS TAL OPERATIONS EXPENDITURES TAL REVENUES	\$13,676,175 \$ 13,676,175	\$13,180,175 \$ 13,180,175	(\$496,000
DEPARTMENT OF CHILDREN, YOUTH, AND FANULS (0010)—IT SUMMER PROGRAM TALL CITY DEPARTMENT WORK-CORDERS TAL OPERATIONS EXPENDITURES TAL REVENUES SIDUAL FOR RESERVE	\$13,676,175	\$13,180,175	(\$496,000 (\$496,000 \$0
TAL CITY DEPARTMENT WORK-ORDERS TAL OPERATIONS EXPENDITURES TAL REVENUES	\$13,676,175 \$ 13,676,175	\$13,180,175 \$ 13,180,175	(\$496,000



II. TIDA OPERATIONS EXPENSE DETAILS FY2015-16

The expenditure for daily operations and development costs for Treasure and Yerba Buena Islands are defined under the following three categories: Administration, Professional and Specialized Services, and City Department Work-Orders.

A. ADMINISTRATION

1. Training, Conference and Travel Costs (02200)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$20,300	\$20,300	\$0

The Proposed Budget provides for the same level of funding for training, seminars and conferences, including costs of travel. The annual Staff Performance Plans encourage staff participating in professional development.

2. Employee Field Expenses (02300)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$2,000	\$2,000	\$0

The Proposed Budget provides for the same level of funding for local field costs.

3. Membership Fees (02400)

TIDA FY 20	TIDA FY 2014-15 Budget Proposed FY 2015-16			6	Change	
A .	12/4		7-1-			
\$6,700		S	6.700			\$0

The Proposed Budget provides for the same level of funding for Membership Fees. The annual Staff Performance Plans encourage staff participate in professional development.

4. Other Fees (35235)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$0	\$0	\$0

The Proposed Budget provides for the same level of funding based on actuals.

5. Marketing and Promotion (02500)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$35,000	\$35,000	\$0

TIDA OPERATIONS EXPENSE DETAILS FY2015-16

The Proposed Budget provides for the same level of funding for Marketing and Promotion. The line item supports tenant/community associations and their activities and programs, among other activities and purchasing promotion and production materials. Fund is also for purchase of food associated with these activities.

6. Administrative Professional & Specialized Services (02700)

This category provides funding for professional services, including social services.

a. Treasure Island Homeless Development Initiative (TIHDI) - (02711)

T1DA FY 2014-15 Budget Proposed FY 2015-16 Change \$196,000 \$196,000 \$0

The Proposed Budget maintains the same level of funding for the Treasure Island Homeless Development Initiative (TIHDI) – Operating Contract. Under the Agreement between the Treasure Island Development Authority and the Treasure Island Homeless Development Initiative, TIHDI provides several services to TIDA including coordinating and facilitating participation of community-based homeless service organizations, operating the job broker system, as well as future development planning.

TIHDI continues to provide onsite after-hour services at the Casa de la Vista, the Chapel and Administrative Building 1. TIHDI operates the building known as the ShipShape free of charge as a public benefit.

ge

b. Treasure Island Boys and Girls Club House (02711)

TIDA FY 2014-15 Budget		ıdget	Proposed FY 2015-16	Chang
\$10,000		*.	\$10,000	\$0

The Proposed Budget provides the same level of funding for the Treasure Island Boys and Girls Club House in the amount of \$10,000 to fund Island youth participation at Camp Mendocino.

c. TI Gym Operation (02711)

11DA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$146,775	\$145,000	(\$1,775)

The Proposed Budget provides funding consistent with contracted amounts for the YMCA to operate the TI Gym. The YMCA provides health, education, after school, youth and adult programs to Island residents free of charge. TIDA maintains the facility.

d. Other Professional Services (02799)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change	
\$45,000	90,000	(\$25,000	

The Proposed Budget reduces the level of funding for Other Professional Services to be consistent with realized expenses YTD. The line item includes the following professional services: the cost of marine salvage and as-needed Lien Sale of sunken, abandoned and stored vessels from Clipper Cove; cost of security services; signage, interpretation and translation services for public meetings and public notices, transportation costs and stipends for interns.

e. Development Professional Services (02799)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$7,245,000	\$4,000,000	(\$322,000)

The Proposed Budget increases the costs of Professional Services as detailed below due in part to the costs associated with the following:

PROFESSIONAL & SPECIALIZED	FY 14-15	FY 15-16
SERVICES	Approved	Proposed
Environmental Engineering (Langan)	\$300,000	\$175,000
Land Transfer and Closing Costs (TBD)	\$25,000	\$25,000
Relocation Consultant (Paragon)	\$100,000	\$75,000
Oakland Army Base Electrical Easement	\$435,000	\$0
SFCTA (Mobility Study)	\$250,000	\$650,000
SFCTA (TICD Ramps Local Match)	\$5,750,000	\$2,875,000
Interim Move Payments (Estimate February 2015)	\$385,000	\$200,000
Subtotals	\$7,245,000	\$4,000,000

- Environmental Engineering Navy's Site Management Plan decreases as planned production and remediation activities in 2015-2016 decrease and require less review and associated services from environmental consultants.
- Relocation Consultant It is anticipated that development will commence in FY 15/16
 necessitating the relocation of YBI residents to TI. Relocation Consultant's charge is to facilitate
 these relocations.
- SFCTA SFCTA Mobility Management Studies in anticipation of development will need to be budgeted for as grant monies have been expended.
- SFCTA To be paid by TICD as reimbursement for Ramps Project. (Pass-through)
- Interim Move Payments In conjunction with the above described relocations, TIDA will be
 paying residents moving expenses. Tenants residing on the Island prior to approval of the DDA
 in 2011, may elect to receive an 'In-Lieu' Payment if they relocate off of the Island and forego
 certain rights/benefits to relocate into the permanent development

B. PROFESSIONAL AND SPECIALIZED SERVICES (2800)

1. Maintenance Services - Buildings

Scavenger Services (02801) a.

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$39,100	\$50,000	\$10,900

The Proposed Budget increases the level of funding by \$10,900 due to TIDA rate increase in order to be aligned with city contract rates.

b. Janitorial Services - Toolworks (02802)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$166,150	\$162,600	(\$3,550)

The Proposed Budget decrease of 2% for Janitorial Services is based on the termination of special event operations at Casa de la Vista, the chapel, and Administrative Building 1 effective December 31, 2015, combine with a 10% increase in wages as dictated by the Minimum Compensation Ordinance. . Toolworks will continue providing janitorial maintenance services to Buildings One and the Childcare Center. Toolworks is a member organization of TIHDI that employs formerly homeless and economically disadvantaged individuals.

c.

\$5,000

Pest Control - (2803)		
TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change

\$0

The Proposed Budget provides for the same level of funding for Pest Control.

\$5,000

d. Grounds Maintenance - Rubicon (02805)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$738,490	\$602,593	(\$135,897)

The Proposed Budget decreases the level of funding for Grounds Maintenance based on the anticipated cessation of services for Yerba Buena Island, and reduction of services in our special events district and the Library which will be impacted by the first sub-phase of development. Rubicon Enterprises provides all landscaping maintenance services on Treasure and Yerba Buena Islands and at the Special Events District: Library, Pavilion, Chapel and Casa De La Vista. Rubicon is a member organization of TIHDI and employs formerly homeless and economically disadvantaged individuals.

Maintenance Services - Buildings (02899) e.

TIDA 2014-15 Budget	Proposed FY 2015-16	Change
\$175,000	\$250,000	\$75,000

The Proposed Budget increases funding for TIDA Building Maintenance Services. The funding is outside of the scope of services provided by DPW Work Orders. The line item funds contracts, as needed, for property maintenance and upkeep, and for emergency repairs. Increase will be used historic preservation of Quarters 1-7, Building 1, and Hangars 2 and 3.

f. Maintenance Services - Facility (02800)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change	
\$150,000	\$200,000	\$50,000	

The Proposed Budget increases the level of funding for TIDA Facilities Maintenance. The funding is outside of the scope of services provided by DPW Work Orders. The line item funds for street paving, seal coating residential parking lots, vegetation management, and fencing.

g. Miscellaneous Facility (Public Art Historical Preservation) (03031)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$20,000	\$20,000	\$0

The Proposed Budget provides the same level of funding for Miscellaneous Facility. The line item funds historic interpretation and programming, provides for the care, storage and conservation of the Authority's existing historic artifacts including the Pageant of the Pacific murals and TI Museum Collection by Atthowe Fine Arts services.

2. Rents & Leases - Equipment (03100- 03599)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$35,000	\$35,000	\$0

The Proposed Budget provides the same level of funding for Rents & Leased Equipment. The funding provides for rentals including TIDA multi-purpose machine, postage machine, Comcast services, and water dispenser. This category also funds Other Current Expenses portable restrooms, messenger services, audio services, periodicals, advertising, and printing. TIDA staff encourages TIDA members to go paperless.

3. Materials & Supplies (0400)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$25,000	\$25,000	\$0
TIDA OPERATIONS EXPENSE DETAILS FY2015-16		

The Proposed Budget provides the same level of funding for Materials and Supplies. The line item includes office materials such as toners, stationary and recycling receptacles, copier supplies, copy paper, safety equipment and food expenses. This category also funds recreational expenses, flags and banners.

4. Other Materials & Supplies-Public Safety (04599)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$25,000	\$25,000	\$0

The Proposed Budget provides the same level of funding for Other Materials and Supplies – Public Safety. This expenditure line includes the costs to provide seminars, educational programs, and resilience conferences for the Island's emergency preparedness. The expenditure also includes care and shelter equipment and purchase of emergency communication equipment including 800 MHz radios.

5. Equipment – (06029)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
9		· ·

\$26,000 (\$26,000)

The Proposed Budget reflects no equipment needs

C. TIDA WORK-ORDER SERVICES WITH OTHER DEPARTMENTS

1. General Services Agency (081CA)

TIDA FY 2014-	15 Budget Proposed FY 2015-16	Change
\$2,205,729	\$2,300,000	\$94,271

The Proposed Budget increases the level of funding for staffing. The Proposed staffing plan is 12 full-time positions in FY 15-16 for Operations and Development. All positions are employees of General Services Agency (GSA) and are reflected in the GSA's budget presented to the Board of Supervisors.

The Proposed Budget provides for Financial Oversight/IT Services. General Services Agency provides services to TIDA in support of human resources, budget, accounting, financial reporting including FAMIS and payroll. In addition, certain information and technology support including network, server, workstation, software maintenance and support are also managed by General Services Agency. GSA assists TIDA resiliency efforts through integration with City emergency logistics planning and with City post-disaster damage assessment policies and protocols.

The Proposed Budget also provides for TIDA Board Health Benefits.

2. Risk Management Services –Insurance (081CB)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$118 827	\$118 827	\$0

The Proposed Budget reflects no changes in costs for both Operations and Development based on actuals W.O. This W.O provides funding for general liability coverage, liability insurance for TIDA's Board of Directors and administrative review of proposed subleases and use-permits by the Risk Manager to determine appropriate insurance requirements.

3. City Attorney - Legal Services - Operations & Redevelopment (081CT)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$996,558	\$996,558	\$0

The Proposed Budget provides the same level of funding for Operations and Development. This W.O provides funds for the City Attorney's Office to act as TIDA's General Counsel and to provide legal services for TIDA's role as caretaker and property manager of the islands and other administrative responsibilities. This W.O also provides funds for the City Attorney's Office to act as TIDA's General Counsel and to provide legal services in TIDA's role as planner and necotiator for development.

4. TIS-IDS Services (081CI)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$26,181	\$26,181	\$0

The Proposed Budget provides for same level of funding from last year for IDS Services. Department of Telecommunications and Information Systems maintain our infrastructure and provide telephone services and cell phones. DTIS also provides hosting and maintenance services for TIDA's website.

5. <u>TIS-IDS Service (081C5)</u>

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$487	\$487	\$0

6. <u>TIS-Telephone Service (081ET)</u>

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$13,892	\$13,892	\$0

7. San Francisco Fire Department (081FC)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
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\$60,000 \$60,000 \$0

The Proposed Budget provides the same level of funding from last year for NERT trainings and fire suppression systems projects on north end of Treasure Island.

8. Human Resources - Management Training (081H2)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$4,740	\$4,740	\$0

The Proposed Budget provides for the same level of funding. The annual Staff Performance Plans encourage staff to participate in professional development.

9. Purchasing -Central Shops-Auto Maintenance (081PA)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$7.744	\$7.744	\$0

10. Purchasing -Central Shops- Fuel (081PF)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
~ .		
\$2.146	\$2.146	\$0

Department of Parking and Traffic (DPT) (081PK) 11.

TIDA FY 2	114-15 Budget	Proposed FY 2015-16	Change
\$25,000		\$25,000	CO.

The Proposed Budget provides for the same level of funding. This W.O provides funds to DPT services for Development Support and traffic control and parking enforcement during major public holidays and events when spectators and large crowds visit the Island. These events may include 4TH of July, Fleet Week, Halloween and New Year's Eve.

12. Purchasing -Reproduction (081PR)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$6,000	\$6,000	\$0

The Proposed Budget provides for the same level of funding based on actuals. The Reproduction funding line is for city stationary, envelops, labels, and alike.

13. San Francisco Police Department (081SP)

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change \$88,545 \$96,546 \$8,001

The Proposed Budget increases the SFPD Budget by \$8,001. The W.O order provides for building and grounds patrol Monday - Friday at Building One.

14. San Francisco Police Department (02811)

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change \$0 \$0 \$0

The Proposed Budget provides for the same level of funding based on actuals.

15. Public Utilities Commission - Hetch Hetchy (081UH)

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change

\$1,103,650 \$1,796,000

The Proposed Budget increases the level of funding for the PUC for TIDA's utilities and maintenance expenses by 4%. (753,647x 1.19%=\$ 896,404). TIDA also leases two back-up generators at the cost of \$150,000 a year. Another \$200,000 is allocated for the MOU between TIDA for the settlement of TIDA's outstanding liabilities prior to 2006.An additional \$550,000 has been budgeted in order to move to new California storm water discharge permitting requirements

16. DPW Bureau of Building Repair (BBR) (081WB)

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change \$892,327 \$869,885 \$(22,422)

The Proposed Budget decreases the level of funding for BBR by 3%. BBR historically has provided funding for a Senior Stationary Engineer, a Stationary Engineer and alaborer as well as crafts such as electrical, plumbing, glass, sheet metal, locksmith and carpenter on an asneeded basis. The decrease this year is due to the fact that we are replacing the Stationary Engineer positon with an additional laborer. This line also funds materials and supplies.

17. DPW Bureau of Street Environmental Services (BSES) (081WC)

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change \$161,766 \$62.072 (\$99,694)

The Proposed Budget decreases the level of funding for BSES by 62%. BSES provides service for two nights weekly freeway on/off ramp street cleaning, weekly manual landscape cleaning, and twice monthly streets and roadways street cleaning. BSES also provides trash

can set-up, clean-up and debris removal for special public events such as New Year's Eve, Memorial Day, $4^{\rm TH}$ of July and Fleet Week and during weekends.

This line funds the day staff at the Front-Gate to monitor traffic entering and exiting Treasure Island and to assist visitors with directions and information, and this position will be eliminated in in FY 2015-16 due to the development phasing schedule impact on Front-Gate area.

18. DPW Bureau of Streets and Sewer Repair Services (BSSR) (081WR)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$189,715	\$132,988	(\$56,727)

The Proposed Budget decreases the level of funding for BSSR by 30% for street paving and pothole repairs on Treasure and Yerba Buena Islands due to the development phasing schedule for the islands causing certain roads to be closed for travel.

Proposed FV 2015-16

Change

ange

19. DPW Bureau of Urban Forestry Services (BUF) (081WU)

	p		
\$321,197	\$331,616	-	\$10,419

The Proposed Budget increases the level of funding for BUF by 3% for Tree Management Services including arborists for tree care, pruning and removal.

20. DPW Bureau of Street Use & Mapping (081WB)

TIDA EV 2014-15 Rudget

11DA FY 2014-1	5 Duagei	Proposed F 1 2015-10	Cha
\$610,000	h	\$610,000	\$0

This Proposed Budget provides for the same level of funding as last year. It funds Engineering Management by DPW for the review of Major Phase and Sub phase Application materials prepared by TICD, inspection and construction management support for the I-80/YBI West Bound Ramps project, design review of plans, specifications, and estimates for the seismic retrofit of West Side Structures on Yerba Buena Island, and FHWA mandated biannual inspection of the West Side Structures on Yerba Buena Island.

21. Real Estate Special Services (DRE) (081W6)

TIDA FY 2014-15 Budget	Proposed FY 2015-16	Change
\$51.040	\$51,040	\$0

The Proposed Budget provides the level of funding for the Real Estate Special Services (DRE) based on actuals and consistent with need this year to test equipment. DRE procures

\$75,000

building service contracts for fire alarm system, sprinkler system and elevator maintenance services.

22. Human Service Agency (081SS) Early Care and Education (Child Care)

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change

\$0 \$40,000 \$40,000

The Proposed Budget provides Catholic Charities for the same level of funding to operate the Child Development Facilities. Catholic Charities occupies the child care facility free of charge as a public benefit and TIDA maintains the facility.

23. Department of Public Health (TI Health Clinic) (081HE)

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change \$75,000

The Proposed Budget increases the level of funding for Public Health in association with the TI Health Clinic and Development support.

\$0

24. Department of Children, Youth and Families (081CH) - TI after School Program

TIDA FY 2014-15 Budget Proposed FY 2015-16 Change \$166,000 \$166,000 \$0

The Proposed Budget provides funding for after school programming.

25. Department of Children, Youth and Families (081CH) - TI Summer Program

TIDA FY 2014-15 Bu	dget	Proposed FY 2015-16	Change
\$47,747		\$47,747	\$0

The Proposed Budget provides funding for summer program.



Exhibit E TIDA PROJECTED REVENUE FY2016-17 DRAFT

Collaborative Special Events \$ - \$ TIDA Special Events Revenues \$ 327,050 \$ TI Commercial Revenues \$ 4,932,537 \$ Film Revenues \$ 39,000 \$ Film Revenues \$ 439,666 \$ YBI Cellsites/ Banner Revenues \$ 90,000 \$ Marina Revenues \$ 3,341,102 \$ Housing Reve \$ 480,901 \$ Fund Balance FYE 2012 \$ - Fund Balance FYE 2013 \$ - Fund Balance FYE 2014 \$ 2,875,000 Fund Balance FYE 2015 \$ - Fund Balance FYE 2014 \$ 2,875,000 Fund Balance FYE 2015 \$ - Fund Balance FYE 2015 \$ - Fund Balance FYE 2015 \$ - Fund Balance FYE 2014 \$ 2,875,000 Fund Balance FYE 2015 \$ - Fund Balance FYE 2015 \$ - <tr< th=""><th>TIDA REVENUE SOURCES</th><th>FY2015-16 Budget</th><th>FY2016-17 Budget</th></tr<>	TIDA REVENUE SOURCES	FY2015-16 Budget	FY2016-17 Budget
\$ 327,050 \$ \$ 4,932,537 \$ \$ 39,000 \$ \$ 39,000 \$ \$ 439,666 \$ \$ 90,000 \$ \$ 480,901 \$ \$ 5 480,901 \$ \$ 5 526,906 \$ \$ 5 2,875,000 \$ \$ 624,013 \$ \$ 5 624,013 \$	Collaborative Special Events	-	
\$ 4,932,537 \$ \$ 39,000 \$ \$ 39,000 \$ Reve \$ 3,341,102 \$ \$ 480,901 \$ \$ 5 480,901 \$ \$ 5 526,906 \$ \$ 5 2,875,000 \$ \$ 624,013 \$ \$ 13,676,175 \$	TIDA Special Events Revenues	\$ 327,050	\$ 100,000
8 39,000 \$ 8 439,666 \$ 8 90,000 \$ Reve \$ 3,341,102 \$ \$ 480,901 \$ \$ 5 480,901 \$ \$ 5 526,906 \$ \$ 2,875,000 \$ \$ 624,013 \$ \$ 13,676,175 \$	TI Commercial Revenues)	\$ 4,932,537	\$ 4,795,026
Seve Seve	Film Revenues	\$ 39,000	\$ 30,000
Housing Reve \$ 3,341,102 \$ Housing Reve \$ 3,341,102 \$ \$ 480,901 \$ \$ 526,906 FCTA) \$ 2,875,000 \$ alancing) \$ 624,013 \$ \$ 13,676,175 \$	YBI Cellsites/ Banner Revenues	\$ 439,666	\$ 452,856
Housing Reve \$ 3,341,102 \$ \$ 480,901 \$ \$ 526,906 \$ FCTA) \$ 2,875,000 \$ alancing) \$ 624,013 \$ \$ 13,676,175 \$	Marina Revenues	\$ 000,000	000'06 \$
\$ 480,901 \$ \$ - \$ \$ FCTA) \$ 526,906 \$ Alancing \$ 624,013 \$ Alancing \$ 13,676,175 \$	John Stewart Company Housing Reve	\$ 3,341,102	\$ 3,629,102
FCTA) \$ 526,906	Housing CAM	\$ 480,901	\$ 480,901
FCTA) \$ 526,906	Fund Balance FYE 2012	-	
FCTA) \$ 526,906 \$ // 2,875,000 \$ alancing) \$ 624,013 \$ 13,676,175 \$	Fund Balance FYE 2013	•	
ment (SFCTA) \$ 2,875,000 \$ E 2015 / ment (Balancing) \$ 624,013 \$ 13,676,175 \$	Fund Balance FYE 2014	\$ 526,906	
E 2015 / 624,013 \$ 13,676,175 \$	TICD Reimbursement (SFCTA)	\$ 2,875,000	\$ 2,875,000
ment (Balancing) \$ 624,013 \$ 13.676.175	Fund Balance FYE 2015 /		
\$ 13,676,175 \$	TICD Reimbursement (Balancing)	\$ 624,013	\$ 727,290
	Grand Totals	\$ 13,676,175	\$ 13,180,175

Assumptions:

Removal Building 180, Café, Yacht Club, Misc. buildings along Waterfront. Events District (Casa, GL, Chapel) through 12/31/2015, gone for 2016-17 Commercial revenes include Energy charges of approx. 130K



TIDA PROJECTED EXPENSES FY2016-17 (As of 4/1/15)	Proposed FY2015-16 BUDGET	Proposed FY2016-17 BUDGET	VARIANCE
DRAFT			
A. ADMINISTRATION			
1. TRAINING, CONFERENCES AND TRAVEL COSTS (02200)	\$20,300	\$20,300	\$
2. EMPLOYEE FIELD EXPENSES (LOCAL FIELD EXPENSES) (02300)	\$2,000	\$2,000	S
3. MEMBERSHIP FEES (02400)	\$6,700	\$6,700	S
4. OTHER FEES (35235)	\$0	SO	S
5. PROMOTIONAL AND MARKETING EXPENSE (02500)	\$35,000	\$35,000	\$
6. ADMIN PROFESSIONAL & SPECIALIZED SERVICES (02700)			\$
a. TIHDI - OPERATING CONTRACT	\$196,000	\$196,000	SI
b. TREASURE ISLAND BOYS & GIRLS CLUB HOUSE (02711)	\$10,000	\$10,000	\$
c. TI GYM OPERATIONS YMCA	\$145,000	\$145,000	\$
d. OTHER PROFESSIONAL SERVICES (02799)	\$20,000	\$20,000	\$1
DEVELOPMENT PROFESSIONAL SERVICES (02799)	\$4,000,000	\$4,000,000	SI
TOTAL ADMINISTRATION	\$4,435,000	\$4,435,000	\$0
B. PROFESSIONAL & SPECIALIZED SERVICES (2800)			
1. MAINTENANCE SERVICES - BUILDINGS			
a. SCAVENGER SERVICES (Trash Disposal)	\$50,000	\$50,000	\$
b, JANITORIAL SERVICES (TOOLWORKS)	\$162,600	\$162,600	\$11,600
p. PEST CONTROL (2803)	\$5,000	\$5,000	\$1
d. GROUNDS MAINTENANCE (RUBICON) (02801)	\$602,593	\$602,593	\$1
n. MAINTENANCE SERVICES (BUILDING) (02899)	\$250,000	\$250,000	\$1
MAINTENANCE SERVICES (FACILITY)) (02800)	\$200,000	\$200,000	St
3. MISC. FACILITY (PUBLIC ART HISTORICAL PRESERVATION) (03031)	\$20,000	\$20,000	S/
2. RENTS & LEASES - EQUIPMENT (03100-03599)	\$35,000	\$35,000	\$1
3. MATERIALS & SUPPLIES (04000)	\$25,000	\$25,000	\$1
I. OTHER MATERIAL AND SUPPLIES - PUBLIC SAFETY (04599)	\$25,000	\$25,000	\$0
S. EQUIPMENT - (060929) TOTAL PROFFESSIONAL & SPECIALIZED SERVICES	\$0	\$1,375,193	\$0
	\$1,375,193	\$1,3/5,193	\$0
C. CITY DEPARTMENT WORK-ORDERS			
I. GENERAL SERVICES AGENCY (081CA)	\$2,300,000	\$2,350,000	\$50,000
RISK MANAGEMENT SERVICES (OPERATIONS AND REDEVELOPMENT INSURANCE) (081CB)	\$144,370	\$144,370	\$(
B. GF-CITY ATTORNEY - LEGAL SERVICES OPERATIONS (081CT)	\$996,558	\$996,558	\$(
I. IS - TIS - ISD SERVICES (081CI)	\$26,181 \$487	\$26,181 \$487	\$0
i. TIS-IDS SERVICES (081C5)			\$0
GF-TIS TELEPHONE SERICES (081ET) GF-FIRE (081FC)	\$13,892 \$60,000	\$13,892 \$60,000	\$0
HR - MANAGEMENT TRAINING	\$4,740	\$4,740	SC
I. IS-PURCH-CENTRAL SHOPS-AUTO MAINT (AAO) (081PA)	\$7,744	\$7,744	SC
0. IS-PURCH-CENTRAL SHOPS-FUEL STOCK (AAO) (081PF)	\$2,146	\$2,146	\$0
1. GF - PARKING & TRAFFIC (081PK)	\$25,000	\$25,000	SC
2. IS-PURCH-REPRODUCTION (AAO) (081PR)	\$6,000	\$6,000	SC
3, GF - POLICE SECURITY (SFPO) (081SP)	\$96,546	\$96,546	Si
4. GF- POLICE SECURITY (SFPD) (02811)	\$0	\$0	ŞI
5. GF-PUC-HETCH HETCHY (081UH)	\$1,796,000	\$1,250,000	(\$546,00)
8. SR-DPW-BUILDING REPAIR (081WB)	\$869,855	\$869,855	SI
7. SR-OPW-BUREAU OF STREET ENVIRONMENTAL SERVICES (081WC)	\$62,072	\$62,072	St
8. SR-DPW-BUREAU OF STREETS AND SEWER REPAIR SERVICES (081WR)	\$132,988	\$132,988	SI
9. SR-DPW-BUREAU OF URBAN FORESTRY SERVICES (081WU)	\$331,616	\$331,616	\$1
D. SR-DPW-BUREAU OF STREET USE & MAPPING (081WB)	\$610,000	\$610,000	\$
1. ADM - REAL ESTATE SPECIAL SERVICES (DEPT. OF REAL ESTATE- FACILITIES MGMT) (081W6)	\$51,040	\$51,040	\$
2. HUMAN SERVICES AGENCY (081SS)	\$40,000	\$40,000	\$4
3. DEPARTMENT OF PUBLIC HEALTH (081HE)	\$75,000	\$75,000	\$1
4. DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES (081CH) - TI AFTER SCHOOL PROGRAM	\$166,000	\$166,000	\$1
5. DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES (081CH) - TI SUMMER PROGRAM	\$47,747	\$47,747	\$
TOTAL CITY DEPARTMENT WORK-ORDERS	\$7,865,982	\$7,369,982	(\$496,000
TOTAL OPERATIONS EXPENDITURES	\$13,676,175	\$13,180,175	(\$496,000
TOTAL REVENUES	\$ 13,676,175	\$ 13,180,175	(\$496,000
	,,	,,	\$1
	\$0	\$0	\$0











CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
ONE AVENUE OF THE PALMS,
2^{NO} FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
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TREASURE ISLAND DEVELOPMENT AUTHORITY SPECIAL MEETING AGENDA Minutes

April 8, 2015 - 5:30PM

Casa de la Vista, Treasure Island 191 Avenue of the Palms, San Francisco, CA 94130

DIRECTORS

V. Fei Tsen, President Larry Mazzola, Jr., VP Linda Fadeke Richardson Hon. Jane Kim (Ex-Officio) Jean-Paul Samaha, Secretary Mark Dunlop, CFO Jeff Kositsky

Robert Beck, Treasure Island Director Kate Austin, Commission Secretary

ORDER OF BUSINESS

1. Call to Order 5:40pm

Present V. Fei Tsen Larry Mazzola Mark Dunlop Linda Richardson Jeff Kositsky

Excused Jean-Paul Samaha Supervisor Kim, Ex-Officio GOVERNMENT DOCUMENTS DEPT

MAY - 8 2015

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Director Tsen made comments on Dr. Aragon's resignation.

General Public Comment There was no public comment.

3. Report by Treasure Island Director

Robert Beck, Treasure Island Director, made comments on Island Operations and Development activities. SFFD is expected to occupy new facility for Station 48 by end of April. Mr. Beck commented on the Treasure Island Flea Market, film and photo activities. Mr. Beck invited Kareem Hickman to say a few words about YMCA programs and Summer Camp registration. Mr. Beck mentioned the Treasure Island Sailing Center Opening Day activities and invited Carisa Harris-Adamson to discuss TISC programs. Easter Sunday had a power outage that was the result of vandalism. TI Property Managers repaired 78 leaking toilets to reduce water consumption. TIDA hopes to close on the transfer before the end of the month, and on March 11th the Navy hosted a public meeting on the proposed plan for Site 24. TICD is working with City Agencies on review of Major Phase Application and Master Utility Plans. Mr. Beck recognized the work and leadership of Tom Gonzalez at Job Corps.

4. Communications From and Received by TIDA

There was no discussion on Communications by Directors. There was no public comment.

5. Ongoing Business by Board of Directors

There was no discussion on Ongoing Business by Directors. There was no public comment.

6. CONSENT AGENDA

a. Approving the Minutes of the March 11, 2015 Regular Meeting

There was no public comment on Consent Agenda.

Director Richardson moved the consent agenda. Director Dunlop seconded the motion. This item passed unanimously.

 Resolution Approving and Authorizing the Execution of Sublease Nos. 954, 955 and 956 with GTE MOBILNET of CALIFORNIA LIMITED PARTNERSHIP, dba Verizon Wireless, a California limited partnership, for three cellular communications sites located on Treasure and Yerba Buena Islands, California.

Rich Rovetti, TIDA, and James Singleton, Verizon, presented Item 7. The new cell sites to be installed under the subleases should greatly improve signal coverage on Treasure Island.

Director Richardson moved Item 7. Director Dunlop seconded the motion. This item passed unanimously.

8. Overview of Housing Provider Programs

Sherry Williams, Executive Director of TIHDI, provided an overview of the TIHDI agreement. Catholic Charities, CHP, Health Right 360, Swords to Plowshares, and JSCo all presented their programs.

Director Tsen recognized Ms. Williams 20 years at TIHDI and the benefits the Housing Providers bring to Treasure Island.

Director Kositsky congratulated the Housing Providers and asked if there are any issues with the age or condition of the housing as it will be another 10 years before it will be replaced. Ms. Williams answered no, that assessments are done.

Director Dunlop asked about water conservation efforts. Ms. Williams answered that leaky fixtures and toilets have been assessed and fixed, and Mr Beck commented that irrigation of lawn areas has been reduced by half.

Director Richardson and Director Mazzola gave their thanks.

Becky Hogue, resident, recognized that the Housing Providers, the TI/YBI community, and TIDA all work together.

Carol Harvey made comments on a report she wrote regarding a leak on TI.

9. Informational Presentation on History of Treasure Island

Dick Reinhart gave a presentation on the History of Treasure Island, from the International Exposition through the Navy's use.

Director Richardson made comments.

10. Overview of Pre-Development Process & Timeline to Construction

Julian Pancoast, TICD, reviewed the development schedule and phases of development. Mr. Pancoast reviewed the ferry shelter and terminal design, the intermodal hub, Building 1 plaza, the marina plaza and retail main street, clipper cove promenade, parks, the chapel, and utilities.

Director Tsen made comments.

Director Richardson requested that diversity of the island population be reflected in development renderings, such as different races and wheelchair users.

Director Dunlop had a question on the habitat management plan. It was answered that

there will be a biologist onsite monitoring for any birds.

Jeff Rainer made comments on families needs on TI.

Melony Jones thanked TIDA, TIHDI, and Dan Stone from JSCo.

Jeff Kline made comments on geological improvements.

Ken Masters made comments on Directors lack of dialogue.

Carol Harvey made comments and had questions on plumbing.

Becky Hogue commented she has been to TIDA meetings and finds the board receptive to comments.

Betty Mackey had questions on keeping the YBI community together after development.

11. Planning for YBI Tenant Relocations Prior to Construction

Robert Beck, Treasure Island Director, presented on the YBI tenant relocations that will occur before construction begins.

Director Dunlop commented on YBI community and unit availability. Director Richardson made comments.

Betty Macky had questions on funding and the unit selection process.

Dave Green had questions on the in-lieu payment.

Jeff Kline made comments on TI crime rates.

12. Informational Presentation on the Proposed Draft Treasure Island Development Authority Fiscal Year 2015-16 Budget and Fiscal Year 2016-17 Budget Robert Beck, Treasure Island Director, presented the proposed FY 2015-16 Budget and FY 2016-17 Budget. The two largest revenue sectors in TIDA's budget are commercial revenues and residential revenues from the Villages agreement. This FY there were unanticipated expenses due to revised utility rates and permit modifications and . The budget will be voted on at Board of Supervisors May meeting.

There was no public comment.

Discussion of Future Agenda Items by Directors
 There was no Discussion of Future Agenda Items by Directors.
 There was no public comment.

14. Adjourn 9:10pm

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, One Avenue of the Palms, Second Floor, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

If any materials related to an item on this agenda have been distributed to the TIDA Board of Directors after distribution of the agenda packet, those materials are available for public inspection at Treasure Island Development Authority, Building One, 2nd Floor, One Ave. of Palms, San Francisco, CA 94130 during normal office hours.

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San Bruno, and the 6, 7, 71 Haight/ Noriega. Accessible curbside parking is available on 1 Dr. Carlton B. Goodlett Place and Grove Street. For more information about MUNI accessible services, call 923-6142.

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